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ESTABLISHED 1887

PEOPLE

U.S. Ministers Threaten Boycott of 'Christ' Film

A group of Southern California Protestant ministers threatened to urge a boycott of businesses owned by MCA if Universal Pictures releases Martin Scorsese's new film, "The Last Temptation of Christ." None of the ministers have seen the film, but based on reading the screenplay, they said the movie presented Jesus as "a mentally deranged and lust-driven man who convinces Jews to believe in him."

Bruce Springsteen has a well-placed fear in Richard West, the U.S. ambassador to West Germany, that his wife was among more than 50,000 fans at Springsteen's concert in Frankfurt on Tuesday.

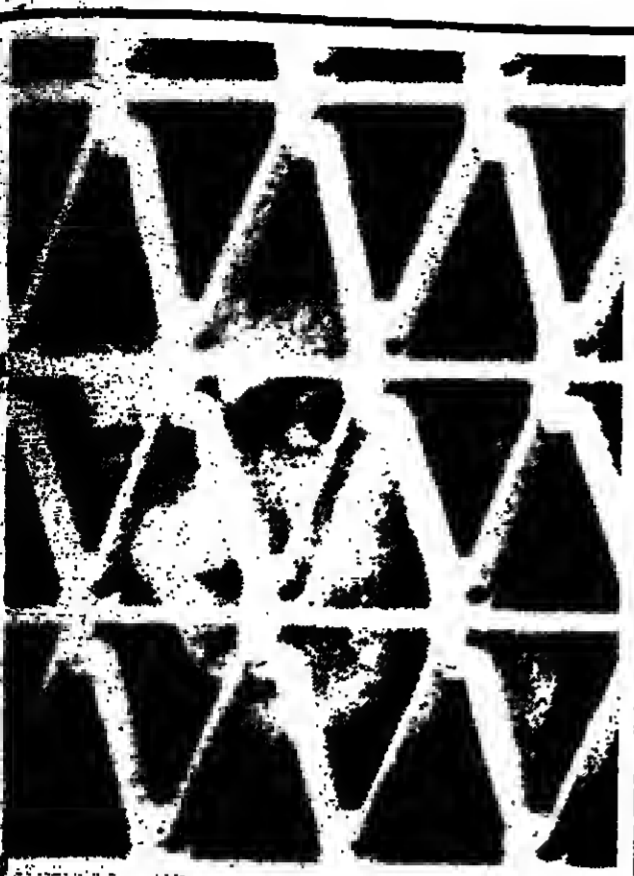
Michael Jackson caused traffic chaos around London's elegant Mayfair Hotel on Tuesday as he crowded for a glimpse of the 25-year-old singer at the start of his two-month concert tour of Britain. The star, who makes his London debut at the Royal Albert Hall on Thursday, will earn \$16 million for 13 concerts. Prince Charles, heir to the British throne, and his wife Diana, will attend Saturday's performance.

A Madrid university said Tuesday it is awarding the Nobel Peace Prize to the American University. The university said it wanted to recognize the "most recent disarmament and détente and the promotion of safety and human rights for all."

Fifty years after he left New York for California in a self-engineered plane and flew to Los Angeles, Douglas (Bud) Wayne Corrigan, now 81, is being honored in style. The prize, being flown back by Air Lines Saturday, is an airline splendor.

BRITISH OPEN BALLESTEROS LEADS

See Sports, Page 17



Gunman Invades Bonn Embassy

A man armed with a pistol peered through a gate Thursday after barricading himself in the Libyan embassy in Bonn, trapping employees on upper floors. The gunman, an Arab in his 20s, surrendered after an 11-hour standoff. He said he had escaped from jail and demanded to be flown to Libya, the police said.

Disarray in OPEC Weakens Oil Prices

By Youssef M. Ibrahim
The long-simmering hostility within OPEC engendered by the 8-year-old Gulf war between Iraq and Iran has widened into an open confrontation between Iran and Saudi Arabia and their respective camps of allies in the cartel.

Prices have fallen steeply in recent weeks, reaching their lowest levels since 1986, when they collapsed to around \$8 a barrel. North Sea Brent crude fell to \$14.10 a barrel at the close in London on Thursday, down from Wednesday's \$14.15 and about \$16 a month ago, after trading as low as \$13.77. Dubai crude finished at \$12.40, falling from \$13.50 on Wednesday.

Shell Oil Co. said Thursday it has cut the purchase price of its crude by \$1 a barrel, following a similar action by Texaco Inc. This brings to \$14.25 a barrel the posted price for West Texas intermediate grade. The anticipated collapse of the OPEC restraints has combined with political discord to clear the way for what many oil industry officials describe as a free fall in prices.



SOVIET ETHNIC PROTEST — A militiaman grabbing a Latvian flag from a protester Thursday in Moscow. Fifteen persons were arrested after unfurling it and a banner calling for an Azerbaijani enclave to be transferred to Armenia. Protest also was reported in Armenia. Page 2.

Iranians Retreat In North

Tehran Has Now Given Up Almost All War Gains

Compiled by Our Staff From Dispatches
NICOSIA — Iran reported a new troop withdrawal from northeast Iraq on Thursday as Baghdad's forces tightened their grip on the southern front after occupying an Iranian border town. The official Iranian press agency IRNA said that Iranian forces had pulled back from the Kurdish Haj Omran area in northeast Iraq as part of a new strategy aimed at a more appropriate deployment of combat forces in other defensive lines.

On Tuesday, Iran evacuated the Halabja plain south of Haj Omran and was driven out of the Zubaid border area on the southern front, the latest of several battlefield reverses. The pullout means that Iran has now given up almost all the Iraqi territory it occupied in the eight-year war. The new head of the Iranian military, Hashemi Rafsanjani, said that the withdrawals were part of a strategy of preparing for a prolonged war and of showing the world that Iran did not want to seize and keep Iraqi territory. Since Ayatollah Ruhollah Khomeini, the Iranian leader, appointed Mr. Rafsanjani military leader June 2 in a bid to regain the initiative in the war, Iran has met more defeats.

Angola Pullout Reports Bring Cautions

By David B. Ottaway
WASHINGTON — U.S. officials and African experts expressed cautious optimism on Thursday that a breakthrough might be in the offing for a settlement to the southern Africa conflict after the latest round of U.S.-brokered negotiations. But they also said the true intentions of both Cuba and South Africa were still far from clear.

Wednesday with announcement of a tentative agreement on "the principles for a peaceful settlement in southwestern Africa" and expressions of hope and good faith by all four sides. But the U.S. assistant secretary of state for African affairs, Chester A. Crocker, who has now mediated three rounds of four-way negotiations, was the first to note that the nations directly involved faced "a road of many obstacles" strewn with "tough political decisions" before any agreement can be reached. The most crucial of the "tough political decisions" alluded to by Mr. Crocker, according to U.S. officials, is whether South Africa, faced with a major Cuban military buildup in southern Angola, has had a sudden change of mind about staying in South-West Africa, which is also known as Namibia.

Jackson Receives an Apology

Compiled by Our Staff From Dispatches
ATLANTA — The Reverend Jesse L. Jackson said he accepted an apology Thursday for not being told in advance that he had been bypassed as the vice presidential nominee, easing the strained relations between him and Governor Michael S. Dukakis of Massachusetts that threaten to break Democratic unity at next week's national convention. But Mr. Jackson said he was still being excluded from the inner circle of top Democratic leaders making the crucial decisions, and he said it was an "open question" whether he would challenge Senator Lloyd Bentsen of Texas for the vice presidential nomination. Mr. Jackson, who said this week that he wanted the second spot on the ticket for himself, learned of Mr. Bentsen's selection from a reporter. Mr. Dukakis says he tried to reach Mr. Jackson first but failed to get through. Mr. Jackson called on former President Jimmy Carter on Thursday to play the role of peacemaker in his proconvention dispute with Mr. Dukakis, saying that he simply wanted "respect and responsibility" after a long run for the Democratic presidential nomination. At a news conference in Chicago before boarding a bus to the convention, Mr. Jackson did not say what specific issues he wanted Mr. Carter to negotiate with Mr. Dukakis, whose nomination is assured. He said he is looking for "meetings of substance" about the issues. But he said he is not seeking "a personal apology" for Mr. Dukakis' failure to notify him before word got out of the choice of Mr. Bentsen for the vice presidential slot. Mark Gearan, a spokesman for Mr. Dukakis, said he expected a face-to-face meeting after Mr. Dukakis and Mr. Jackson arrived in Atlanta. "The governor obviously made it clear that it was his own intention for the Reverend Jackson and all of the candidates to hear the news from no one else but the governor," Mr. Gearan said. Ron Brown, a spokesman for Mr. Jackson, called Mr. Dukakis' gesture "a good start" toward healing relations, but he made it clear that he expects numerous conversations between the two men in the days ahead. While there is plenty of time to settle matters before the convention opens on Monday, Mr. Jackson's complaints could wind up complicating efforts by Mr. Dukakis and Democratic Party leaders to stage a unified, harmonious party convention. Mr. Jackson has ordered aides to break off negotiations with Dukakis over the party platform. Paul Kirk, the Democratic Party chairman, said those talks had not yet resumed, although he said aides to the two men had spoken. "I think we'll be moving forward," he said.

Mr. Rafsanjani, speaking Wednesday on Iranian television, said that the new approach was dictated by recent Iraqi advances made possible by all-out support for Baghdad by its foreign backers. "After studying the new situation, it seemed changes in our defensive lines were necessary," he said. Iraq said its troops pushed through Zubaid on Tuesday, seizing 4,000 square kilometers (1,500 square miles) of territory, and occupied the town of Dehloran, 30 kilometers (19 miles) inside Iran, on Wednesday. On Wednesday, Iraq said that 20,000 Iraqis were killed or wounded in the attack on Dehloran. A member of the Iraqi high command, Lieutenant General Nima Faris Hussein, said on Baghdad television that Iraqi forces would withdraw across the border within a few days. The capture of Dehloran coincided with a statement by Mr. Rafsanjani that Tehran's new strategy would be to put the main emphasis on its regular forces rather than on its irregular forces rather than they join the court. It is not obliged to do so, however. Mr. Mancini claimed that forcing the EC's biggest pasta consumer, Italy, to drop the import ban could open the way for a flood of cheap imports. He said the ban was needed to protect consumers, who would be confused when buying pasta if they had to try to tell the difference between soft- and hard-wheat products. The court made short shrift of the latter argument, saying Italy could simply require clear labels listing the ingredients. But according to West German noodle-makers, who are hailing the decision as a milestone on the road to European integration, Italian housewives could barely tell the difference between genuine pasta italiana and noodles from Nuremberg anyway. "The association of West German noodle producers did a blind taste-test survey in Italy recently, serving cooked pasta to Italian housewives," said Helmut Lanzraath, chief spokesman for B. Birkel. She offers a pamphlet to residents with such advice as, "Don't try to tame coyotes or treat them as your own pets even if they resemble German shepherds." She has also persuaded the Los Angeles Department of Water and Power to put water holes in the Hollywood Hills, away from housing, so that the wildlife will not try to drink in residential areas.

Impact of U.S. Trade Bill Depends on President

By Louis Uchitelle
NEW YORK — The 1988 trade bill passed Wednesday by the House of Representatives and expected to become law will have a major impact only if the next president is an activist bent on forcing other countries to purchase more American goods, according to many economists, trade experts and government officials. The bill, the first major trade legislation since the mid-1970s, floods the next president to be tougher than any of his postwar predecessors in expanding exports and reducing the trade deficit. It does so by making him more accountable to Congress and the public for whatever trade policy — or lack of policy — he pursues. But it does not force him to act. "The bill has the potential to do a lot of good for trade and the potential to do nothing," said Rufus Yerxa, staff director of the House Ways and Means Committee's trade subcommittee, which helped write the bill. Still, the 1,000-page bill is significant in that it is a recognition that the government should be more actively involved in trade issues. "The bill does make it somewhat more difficult for the president not to act," said Alan Holmer, who is President Ronald Reagan's deputy trade representative. The message in the bill is that export growth should rank alongside military alliances and peace treaties as one of the administration's most important foreign policy goals. That is a departure. Since World II, national security and diplomatic considerations have had a higher priority than opening markets for American products. But the departure is a small one, according to trade experts. Each of the bill's major provisions offers the next president enough loopholes that he can ignore or sidestep trade issues. These loopholes, advertised as a compromise to make the bill palatable to a majority of Congress and to the president, explain why the House passed the bill with little debate once it was shorn of its most

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France Celebrates Bastille Day
Soldiers of the French Foreign Legion prepared one another Thursday before parading up the Champs-Elysees to celebrate the 199th anniversary of the fall of the Bastille. President Francois Mitterrand reviewed the parade.

Kiosk

Pentagon Bill Is Approved

WASHINGTON (AP) — Congress approved Thursday the final version of a defense budget bill that reduces President Ronald Reagan's spending request for the Strategic Defense Initiative, the plan for a space-based anti-missile defense system. The measure now goes to Mr. Reagan for his signature.



Vice President George Bush responding Thursday in the UN to an Iranian accusation that the United States deliberately downed an Iranian airliner. Page 2.

Israelis See No End Soon To Uprising

By Joel Brinkley
JERUSALEM — When soldiers demolished two homes in the West Bank earlier this week and sealed off four others, the actions hardly warranted notice on Israeli radio news.

Five Palestinians have been shot to death during demonstrations in the occupied territories since July 8, and although the nightly news show on Israeli television reported each death, it did so only in passing and without any film footage. [Israeli troops confined more than 80,000 Palestinians to their homes in the occupied West Bank on Thursday to halt violent protests over the killings of two teenagers by soldiers and a raid by Jewish settlers, Reuters reported. An army spokesman said troops kept Kalkiya and its 30,000 residents and more than half the 100,000 inhabitants of the West Bank city of Nablus under curfew after clashes.]

The Palestinian uprising entered its eighth month several days ago, and Israelis are beginning to grasp the idea that it may very well continue for many more months, perhaps even for years. Events that galvanized the nation a few months ago now have become simply the status quo. Several days ago, a senior commander of military forces in the West Bank assembled a group of military correspondents from the Israeli press in Tel Aviv and told them it was his view that the uprising might continue indefinitely. The army, he said, was making the necessary adjustments in case that proved to be true. "There is no return to the pre-December 1987 status quo," said the commander, who asked not to be identified. "It demands from us to organize for the long run." His remarks were reported and See ISRAEL, Page 2

Los Angeles Wild Beasts Thrive on Diet of Pets and Garbage

By Robert Reinhold
LOS ANGELES — The question is almost Zen in its ambiguity. Are the animals invading Los Angeles or are we invading them? The sun sinks into the Pacific Ocean and a blood-curdling howl rises over Mulholland Drive in the Hollywood Hills. Residents quickly call in their cars and dogs before the coyotes make supper of them. Raccoons clean out a pool full of expensive goldfish and set up house in the attic. Coyotes, opossums, skunks and other urban wildlife seem to know which day the garbage is put out. Parents warn their children about rattlesnakes. A fully grown buck deer strolls up a driveway above Beverly Hills. Can this really be the second largest urban area in America, world capital of the film industry, financial hub of the Pacific Rim, home of Rolls-Royces and Ferraris and trendy restaurants serving caviar tacos? Can this also be the place that needs a new county law, effective Jan. 7, forbidding the feeding of coyotes and other predators? A few days ago, the Los Angeles County sheriff and the Los Angeles City Department of Animal Regulation issued their annual summer warnings about rattlesnakes. Recently, the police in suburban Pasadena shot and killed a 110-pound (50-kilogram) mountain lion that had wandered into a yard where three children were playing. A few weeks before that, the police had killed a mountain lion that was crouching behind a hedge in Yorba Linda. The Los Angeles area is metastasizing into the hills and deserts that once defined the boundaries between civilization and nature. Human and animal habitats are merging into one, and territorial conflict is perhaps inevitable. "If we would stop encroaching into their territory, they would stop coming into ours," said Steve McNall, executive director of the Humane Society in Pasadena, near where new developments in such communities as Flintridge, La Canada, Monrovia, Altadena and Arcadia are putting human nests amid wild ones. Mr. McNall considers it "a privilege that they come into our city." The Los Angeles Department of Animal Regulation regularly gets calls from irate residents whose cats have become coyote food. It regularly sets traps and airlifts a menagerie of wildlife into the remote countryside for release. The department tries to educate Angelenos about the furry facts of life in the big city, that the best way to deter nocturnal visits by wildlife is to take a few simple precautions, such as putting lids on garbage cans. "They would rather not run after food and get all tired, if they can get fast food," Dyer Huston, a department spokesman said.

"The real culprit is the people," said Lita Brooks, a Hollywood woman who is the director of California Wildlife Defenders and is the author of the new county anti-feeding law. "By feeding coyotes, we have conditioned them to lose their fear of humans," she said. "Their fear needs to be reinstilled, and they need to be sent back to the hills where they belong." Mrs. Brooks asserts that many of the misdeeds attributed to coyotes are committed by packs of feral dogs, turned loose by their owners, sometimes to interbreed with coyotes into hybrids called "coydogs." She offers a pamphlet to residents with such advice as, "Don't try to tame coyotes or treat them as your own pets even if they resemble German shepherds." She has also persuaded the Los Angeles Department of Water and Power to put water holes in the Hollywood Hills, away from housing, so that the wildlife will not try to drink in residential areas.

Italy Loses Battle On Pasta Imports

By Ferdinand Protzman
FRANKFURT — The spaghetti war between the two nations is over. Italy lost, and its noodies may never be the same. The war, which began with an attempt by a West German company to ship 100 kilograms of egg noodles into Italy in 1985, ended Thursday with a decision by the European Court of Justice that overturned Italy's pasta-purity law as an illegal restraint of trade and opened the door for pasta imports. The court ruled that Italian Law No. 580 of 1967, which declared that pasta could be made only from hard wheat and water, violated the European Community's policy on the free movement of goods. That decision overturned the controversial opinion by Federico Mancini, an advocate-general of the court, and an Italian citizen, who had argued for an extension of Italy's ban on imported pasta. The court often accepts the opinions of its advocates-general, who forswear national allegiances when they join the court. It is not obliged to do so, however. Mr. Mancini claimed that forcing the EC's biggest pasta consumer, Italy, to drop the import ban could open the way for a flood of cheap imports. He said the ban was needed to protect consumers, who would be confused when buying pasta if they had to try to tell the difference between soft- and hard-wheat products. The court made short shrift of the latter argument, saying Italy could simply require clear labels listing the ingredients. But according to West German noodle-makers, who are hailing the decision as a milestone on the road to European integration, Italian housewives could barely tell the difference between genuine pasta italiana and noodles from Nuremberg anyway. "The association of West German noodle producers did a blind taste-test survey in Italy recently, serving cooked pasta to Italian housewives," said Helmut Lanzraath, chief spokesman for B. Birkel. She offers a pamphlet to residents with such advice as, "Don't try to tame coyotes or treat them as your own pets even if they resemble German shepherds." She has also persuaded the Los Angeles Department of Water and Power to put water holes in the Hollywood Hills, away from housing, so that the wildlife will not try to drink in residential areas.

Dow Jones Industrial Average

Up	9.25
Down	1.8533
Pound	1.682
Yen	133.25
FF	6.249

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THE TRIBUNE

To Most Important Audience

كردمان النحل

BRIEFS

aves 1 Dead in Burma
One person has been killed and nine police official, in fresh rioting in Burma...

Kill Sikh Militant
The police shot and killed a leading militant in Punjab on Thursday and arrested...

ed by Rocket Crash
India plans to press on with its second successive launch of its chief scientific adviser...

EL UPDATE
lays Blamed on Greece
Garwick airport authorities blamed Greek air controllers on Thursday for the crash...

Rail Link for Tunnel
British Rail said Thursday it planned a big and the Channel tunnel by the end of the...

Apology Accepted
The Republican vice president said he and Mr. Jackson had a pleasant relationship...

Rerolt Becomes Routine
The Republican vice president said he and Mr. Jackson had a pleasant relationship...

Salinas Declared Winner in Mexico With 50.4% of Vote

by William A. Orme Jr.
The candidate of the conservative National Action Party, Manuel Clouthier, came in third with 17.1 percent...



A President's Thoughts for a Dry Season
President Ronald Reagan looking at drought damage Thursday with Herman Krone and his son, Richard, in a cornfield at the Krone farm near Du Quoin, Illinois. Later, he urged Congress to act quickly on emergency farm aid.

Managua Nationalizes Largest Company

MANAGUA — The Nicaraguan government has nationalized the country's largest and oldest private enterprise in what the opposition called the latest in a series of repressive moves...

Bentsen on Rights: A Mixed Record

By David E. Rosenbaum
WASHINGTON — Senator Lloyd Bentsen of Texas, selected to be the running mate of Governor Michael S. Dukakis, has repeatedly voted for measures to restrict involuntary busing for school desegregation...



Senator Lloyd Bentsen

China Hints Taiwanese Nationalist Party Elects Young Reformers to Its Policy Body

By Susan Chira
TAIPEI — A day after a landmark congress of Taiwan's ruling party ended with a clear mandate for change, the party appointed several new, reform-minded leaders Thursday to its top policy-making body...

Dutch Kidnapper Sentenced

HAARLEM, Netherlands — A Dutch court sentenced Ferdi Elsas, 45, to 20 years in prison Thursday after he was found guilty of the kidnapping and murder of a Dutch grocery tycoon...

Kuwait Asks U.S. to Allow Arms Sale

By David B. Ottaway
WASHINGTON — Prime Minister Saad al-Abdullah al-Sabah of Kuwait has appealed to Congress to reconsider measures aimed at blocking the sale of 40 F-18 Hornet fighters and Maverick air-to-surface missiles to his country...

Vietnam Says It Is Open To Repatriating Refugees

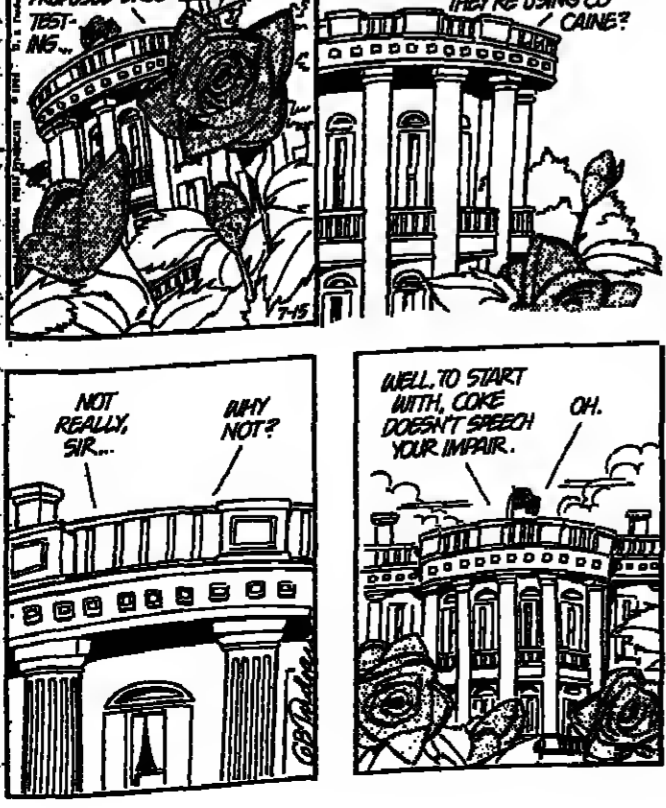
BANGKOK — Vietnam, in a shift of policy, says it would be willing in principle to take back Vietnamese refugees turned down by resettlement countries, a senior Thai official said Thursday...

Advertisement for Baume & Mercier Geneve line watches. It features a close-up of a watch with a metal link bracelet and a white dial with black numerals. The text includes 'BAUME & MERCIER GENEVE', 'linea', and 'J.B. BERNARD JOAILLIERS'.

Bomb Injures Man in Rome

ROME — A bomb in a rubbish bin exploded near the offices of the Italian Magistrates Council in Independence Square on Thursday, injuring a refuse worker, the police said.

DOONESBURY



Advertisement for the International Herald Tribune. It features the newspaper's masthead and the text: 'Now Printed in the U.S. For Same Day Service in Key American Cities. To subscribe call us toll-free in the U.S.: 1-800-882-2884. (In New York, call: 212-752-3890.)' It also provides contact information for the New York office.

Advertisement for One East River Place, a new rental residence. It features a black and white photograph of a modern high-rise building. The text says: 'New York's most important new rental residence. On the river at East 72nd Street. Studio: \$1,400-\$2,900 1 bedroom: \$1,700-\$4,900 2-bedroom: \$3,300-\$8,600 3 bedroom: \$6,100-\$12,800 4-bedroom: \$8,300-\$15,700'.

Why Jackson Is Loath to 'Disconnect'

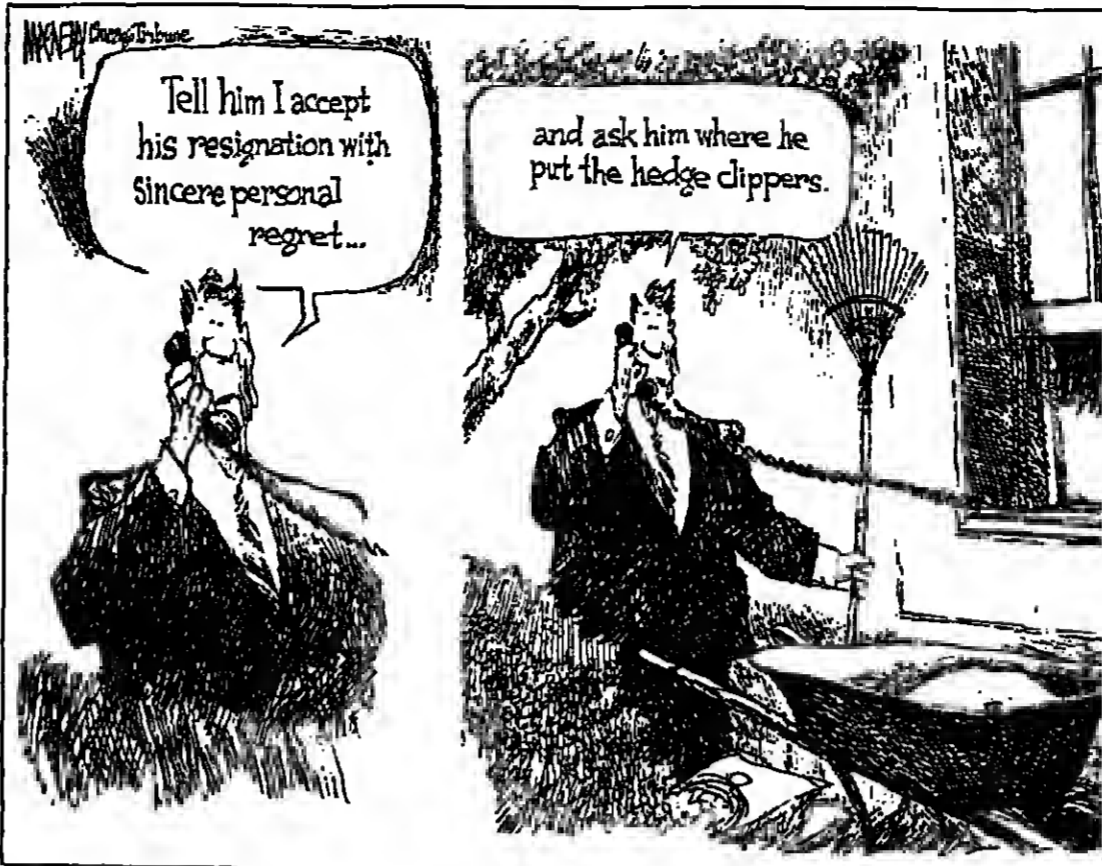
By Philip Geyelin

WASHINGTON — When Jesse Jackson met...

In Dukakis's Shrewd Choice Lay a Touch of Callousness

By William Safire

WASHINGTON — When Michael Dukakis makes a sound decision...



LETTERS TO THE EDITOR

Confessions of a Red Head, Or, Don't Rain on My Pate

By Julian Young

PARIS — I burned my head again: I always do about this time of year...

Missed Target on Beirut

Regarding "They Went Despite Risks" (Letters, July 12): Tim Llewellyn's letter misses the target on both points...

Here's to the End of an Era

We have lived our lives prepared for destruction, a dramatic finale, yet suddenly it is possible to imagine the "Atomic Age" as the name of an odd hysteria...

Don't Forget the VAT

Regarding "IRS Eases Filing Rule for Foreign Tax Credit" (June 9): Now that the Internal Revenue Service and the U.S. Treasury have recognized the difficulty...

Glossing Over Kennedys

Regarding the column "RFK: He Would Have Made a Difference" by Anthony Lewis (June 6): It is bad taste to speak ill of the dead...

No Appeasement

THE REAL story in 1988 is the ease with which Michael Dukakis suddenly broke from the crowd and dashed too far ahead to be overtaken...

A Disturbing Accounting

Regarding "How to Cure the Budget Deficit with Social Security" by Charles Krauthammer (June 13): I'm confused about Social Security...

A Sordid Stream of Gold

Regarding the report "Weinberger Admits Possibility of Pentagon Contract Frauds" (June 21) by Philip Shenon: With the unimaginable sum of \$2 million slogging through that sewer in the past seven years...

And 50 Years Ago

1938: A Purple Smog... The responsibility for the smog was placed on the shoulders of the automobile industry...

Gold

There are 100 or more families... The gold market is showing signs of recovery...

Why Jackson Is Loath to 'Disconnect'

By Philip Geyelin... WASHINGTON — When Jesse Jackson met...

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GENERAL NEWS

Hungary Postpones Reform

BUDAPEST — The Hungarian Central Committee, the policy-making body of the ruling Communist Party, voted overwhelmingly Thursday to change the ailing economy but postponed a final decision until October, the state press reported...

Palestinian Is Sentenced In Athens

ATHENS — A Palestinian wanted by the United States on charges of planting a bomb on a U.S. jetliner was sentenced by a Greek court Thursday to seven months in prison for entering Greece on a forged Syrian passport...

U.S. Stuns Moscow Refugees

MOSCOW — A U.S. official has tried to explain to about 40 would-be refugees why the U.S. government had given no warning before declaring an across-the-board, three-month postponement on Soviet refugee visas...

EUROPEAN TOPICS

Britain Sets New Rules In Child Abuse Cases

Britain will tighten procedures for dealing with child abuse and will improve cooperation among policemen, social workers and hospitals. The goal is to prevent a repetition of the "Cleveland crisis" in which 121 children, said to have been victims of parental abuse, were removed from their homes last summer...

European Film Award Born in West Berlin

Many European countries have their own film awards ceremonies, and the prizes are often described as the country's "equivalent of the Oscars." But such highly valued awards as the Golden Palm of Cannes or the Golden Lion of Venice may soon be overshadowed by a new all-European prize. It will make its debut at the first annual European Film Awards ceremony in West Berlin Nov. 19-26...



LINDBERGH TRIPPER — Chris Marshall, 11, from California, being embraced by his mother after he landed his single-engine plane at Le Bourget airport near Paris and completed a trans-Atlantic flight similar to Lindbergh's in 1927...

East Germany has launched an international fund-raising campaign to restore the 122-year-old New Synagogue in East Berlin.

The winner in each category will receive a bronze statuette of a youth holding a dove, designed by the West German sculptor, Markus Lüpertz. The statuette still needs a name, but it will not be Oscar, a spokesman for the committee said...

NYSE Most Actives table with columns: Vol., High, Low, Last, Chg.

Market Sales table with columns: NYSE adv. volume, NYSE adv. value, etc.

NYSE Index table with columns: High, Low, Close, Chg.

Thursday's NYSE Closing logo and text: Via The Associated Press

AMEX Diary table with columns: Clear, Prev.

NASDAQ Index table with columns: Close, Chg., Prev.

AMEX Most Actives table with columns: Vol., High, Low, Last, Chg.

Dow Jones Bond Averages table with columns: Bonds, Utilities, Industrials

NYSE Diary table with columns: Chg., Prev.

Odd-Lot Trading in N.Y. table with columns: Buy, Sell, % of Total

Dow Jones Averages table with columns: Index, High, Low, Last, Chg.

Standard & Poor's Index table with columns: High, Low, Close, Chg.

NASDAQ Diary table with columns: Clear, Prev.

AMEX Stock Index table with columns: High, Low, Close, Chg.

NYSE Up Despite Rise in Prime

United Press International NEW YORK — Prices on the New York Stock Exchange brushed off an increase in U.S. prime lending rate Thursday to rise in moderate trading. Many investors, however, sat out the session to await Friday's U.S. trade report for May. The Dow Jones industrial average, which rose 11.73 points Wednesday, put on 9.25 to close at 2,113.62. Advances led declines by about a 7-6 margin. Volume declined to 172.4 million shares from 218.9 million traded Wednesday. Broader market indexes posted modest gains. The New York Stock Exchange index rose 0.49 of a point to close at 152.76. Standard & Poor's 500-stock index rose 0.94 to 270.26. The price of an average share added 10 cents. Prices on the American Stock Exchange finished slightly higher. Shortly after the market opened, two of the nation's largest banks, Chase Manhattan and Citibank, raised their prime lending rates to 9.5 percent from 9 percent, effective immediately. Other banks soon followed. The rate increase came one day after Alan Greenspan, the Federal Reserve Board chairman, told Congress that short-term interest rates may rise as part of the central bank's effort to stem inflationary pressures. "People have been looking for a prime rate hike for weeks," said Al Goldman, market strategist with A.G. Edwards & Sons in St. Louis. "Reaction was ho-hum. And even though

GreenSPAN said a discount rate hike was not needed at this time, people are prepared for that as well.

Mr. Goldman said the market was looking ahead to Friday's scheduled release of the U.S. merchandise trade deficit report for May. And although "the importance of the figure has peaked in the market," Mr. Goldman said investors had little choice but to remain cautious ahead of a sometimes surprising number. "Overall, the market action in the last few weeks has been very tired," Mr. Goldman said. "The seven-week rally has lost some of its momentum and just about completed a top." "This market is able to go up because of all the people who are negative have done their selling," said Michael Metz of Oppenheimer & Co. "The bond market has been very resilient, and even though short-term rates are higher, the longer-term rates are not under great pressure," Mr. Metz said. "Everybody who is scared to death about the trade figure Friday appears to have sold," Mr. Metz said. "So I think all the negatives have been discounted." "This market wants to go higher, and I think the next trend is aggressive buying that will lead to a substantial advance in the weeks ahead." Mr. Goldman said the "very short-term" outlook called for another move toward 2.150 before the market turned lower and found support at around 2.050.

Table A: NYSE Most Actives

Table B: NYSE Most Actives

Table C: NYSE Most Actives

Table D: NYSE Most Actives

Table E: NYSE Most Actives

Table F: NYSE Most Actives

Table G: NYSE Most Actives

Table H: NYSE Most Actives

Table I: NYSE Most Actives

Table J: NYSE Most Actives

Table K: NYSE Most Actives

Table L: NYSE Most Actives

Table M: NYSE Most Actives

Table N: NYSE Most Actives

Table O: NYSE Most Actives

Table P: NYSE Most Actives

Table Q: NYSE Most Actives

Table R: NYSE Most Actives

Table S: NYSE Most Actives

Table T: NYSE Most Actives

Table U: NYSE Most Actives

Table V: NYSE Most Actives

TRAVELER'S CHOICE advertisement

East Access to Paris Museum advertisement

American Connection advertisement

Looking the Days of the advertisement

A Jockey's Eye View of advertisement

New European Collection advertisement

كردان الكحل

(Continued on Page 10)

TRAVEL

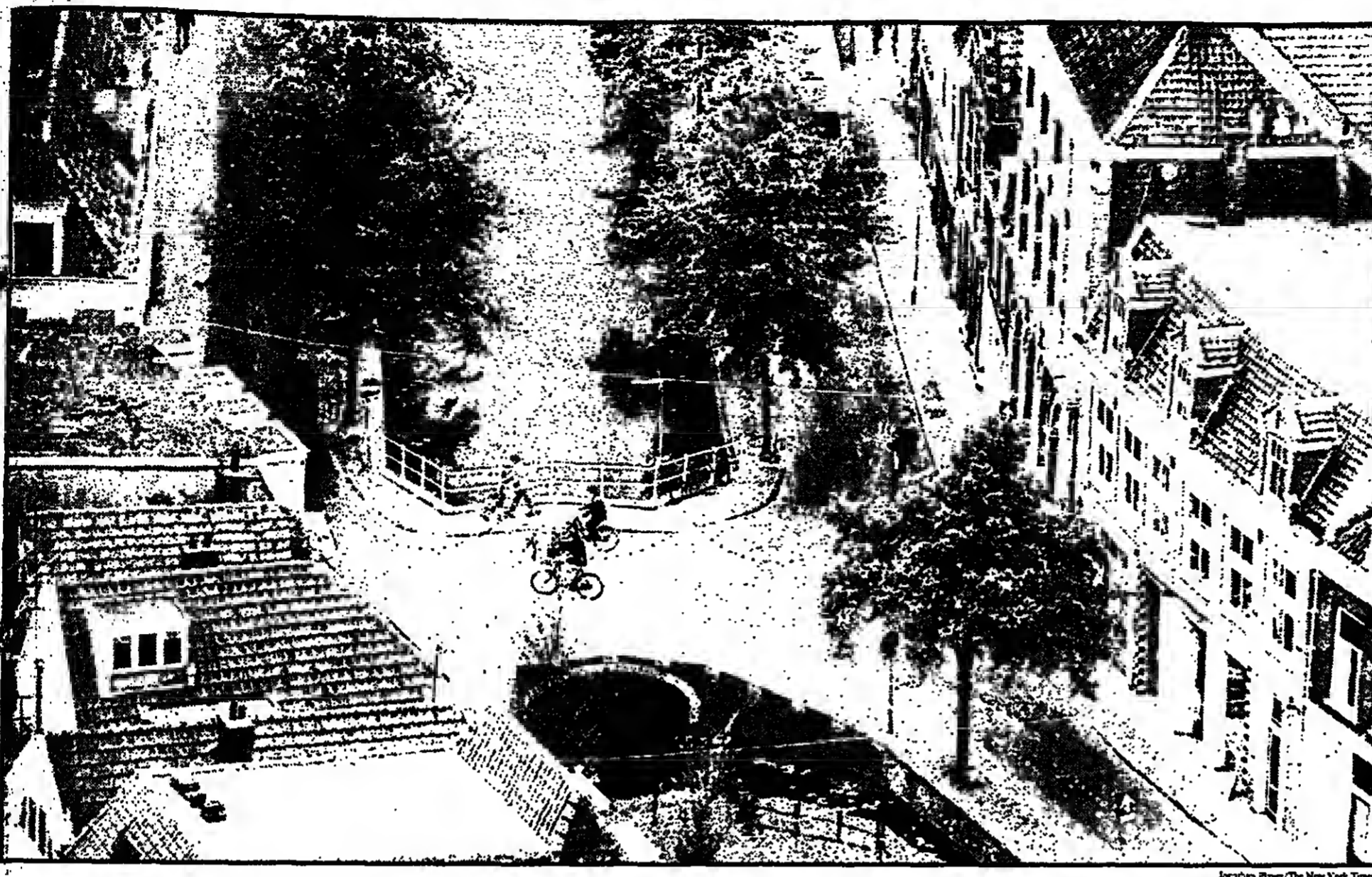
International Herald Tribune

- Tracking Great Bouillabaisse
- On the Trail of Veronese
- A Corking Good Wine Guide

AMEX Most Actives				
Symbol	High	Low	Last	Chg.
Delta	100.75	99.50	100.00	+0.50
IBM	125.00	124.00	124.50	+0.50
Microsoft	100.00	99.00	99.50	+0.50
Oracle	100.00	99.00	99.50	+0.50
Amgen	100.00	99.00	99.50	+0.50
Amgen	100.00	99.00	99.50	+0.50
Amgen	100.00	99.00	99.50	+0.50
Amgen	100.00	99.00	99.50	+0.50
Amgen	100.00	99.00	99.50	+0.50
Amgen	100.00	99.00	99.50	+0.50

AMEX Stock Index				
High	Low	Open	Close	Chg.
30.11	30.11	30.11	30.11	0.00
30.11	30.11	30.11	30.11	0.00
30.11	30.11	30.11	30.11	0.00
30.11	30.11	30.11	30.11	0.00
30.11	30.11	30.11	30.11	0.00

Symbol	High	Low	Last	Chg.
AMT	110.00	109.00	109.50	+0.50
AMT	110.00	109.00	109.50	+0.50
AMT	110.00	109.00	109.50	+0.50
AMT	110.00	109.00	109.50	+0.50
AMT	110.00	109.00	109.50	+0.50
AMT	110.00	109.00	109.50	+0.50
AMT	110.00	109.00	109.50	+0.50
AMT	110.00	109.00	109.50	+0.50
AMT	110.00	109.00	109.50	+0.50
AMT	110.00	109.00	109.50	+0.50



In Delft, The Netherlands, the canals are bordered by lime trees, and the blue pottery that is synonymous with its name fills the museums, shops and factories.



TRAVELER'S CHOICE

Some Additions to the Midnight Sun

Europe's northernmost point, the North Cape on the island of Mageroy in Norway, has always offered visitors a sweeping view of the midnight sun from a 1,000-foot (300-meter) cliff, but little more in facilities than a cafeteria and souvenir stand. As of this summer, the site has a new visitors' center with restaurant, bar, video theater and telecommunications center. The restaurant and, atop it, a dome with displays of modern telecommunications equipment, are built above ground. Through a 295-foot tunnel is an underground bar, where visitors sip champagne (as is traditional when one reaches the top of Europe) and a panoramic window. Also below is a theater with a multiscreen video show about the island and Norway's Finnmark Plateau. Admission to the center is \$10. Mageroy and the North Cape can be reached only by ferry, but a bridge that will connect the island with the rest of Finnmark is due to be completed in 1990.

Easy Access to Paris Museums

The Carte pass, which can be used for reduced admission to more than 60 museums and monuments around Paris, now can be bought for one, three or five days. The pass, as originally introduced last year, was sold for a one-time cost of about \$15 for the calendar year. Now it costs \$50 (about \$8) for one day, 100 francs for three and 150 francs for five days. Also new is that many museums allow holders of the Carte to bypass admission lines and allow unlimited readmission over the period the card is valid. The pass is sold in Paris at major Metro stations and most of the participating sites.

American Connection at Cambridge

The Cambridge summer festival, "American Connections," which runs July 16-31, celebrates American culture with a program including film, literature, arts and music. The Cambridge Symphony, the King's College Choir and Halle Orchestra have scheduled works by American composers including Gershwin, Copland, Bernstein, Ives and Barber. Jazz includes performances by John McLaughlin and Art Blakey. Also taking part will be the Dada Cabaret, Revue from New York and the Guildhall School performing Gershwin's "Girl Crazy." The Fitzwilliam Museum is showing "Three Generations of Wyeth Art" through Aug. 29. . . . The Henry Wood Promenade Concerts in London begin the 94th season July 22 and run to Sept. 17, mostly in Royal Albert Hall. The Australian Youth Orchestra will return, and Fiederman, the Sydney-based group, will make its London debut. Other participants will be the Lyons Opera Orchestra, the New York Philharmonic, the Leipzig Gewandhaus Orchestra and the Amsterdam Concertgebouw Orchestra.

Evoking the Days of the Steamboats

The Nantucket Clipper, a modern 207-foot yacht, will make a voyage that evokes the days of the steamboats that operated along the northeastern U.S. coast from late in the 19th century until before World War II. Sponsored by the Steamship Historical Society of America, the trip will begin in Boston on Aug. 13 and end there on Aug. 20. The 100-passenger yacht will visit Nantucket, Martha's Vineyard, Newport, New Bedford and Plymouth. Rates, including air fare from most U.S. major cities and meals, begin at \$1,526. Information: John H. Shaum Jr., 714 Cedarcroft Road, Baltimore, Maryland 21212.

A Jockey's-Eye View of Racing

The National Museum of Racing and Hall of Fame in Saratoga Springs reopens Friday after a \$6 million, 10-month renovation. A special show of 42 paintings of racing scenes to 18th- and 19th-century England, collected by Paul Mellon, kicks off the reopening. Among new permanent exhibits are a starting gate that visitors can enter, visitor-activated monitors displaying film clips of famous races and a 15-minute video presentation on a 10-by-40-foot screen of a jockey's-eye view of a race.

New European Collections of Note

In Rome a wing has been added to the Modern Art Gallery, which exhibits collections of late-19th-century artworks. In Barcelona, new galleries in the Joan Miró Foundation building will display a permanent exhibit of works by Miró and others.

In Delft, Potters Hand-Paint the World Blue

by Israel Shenker

Delft stands for blue and white pottery; in fact the whole town positively hypes the blues. Rare is the cafe or home without its casual collector's item — a blue and white vase set off by stately tulips, a fireplace framed with exquisite old tiles, an antique jar offering sanctuary to rusty keys and pencil stubs. On the central square of the town five miles (eight kilometers) from The Hague, no fewer than 10 establishments are devoted to the mission of disseminating hand-painted delft blue.

Local potters have devised myriad forms to accommodate their traditional products. Do clients want pottery in the shape of wooden shoes? Abracadabra — "wooden" shoes in delftware! Windmills? Clocks? Piggy banks? Child's play.

The town itself is an alluring showcase for its most celebrated creations. Delft is where Vermeer was born, lived and died; indeed he does not appear ever to have left the place. In this cozy, urban universe he immortalized the life of every day, with glowing interiors and intimate portraits. The town richly conveys first-hand testimony to his vision — the facades he admired, the streets he walked, and the facades of descendants — faithful reproductions of those he painted. All this is conveniently collected in the inner town, which is made up of 14 islands with 90 bridges. On every hand is evidence of a passion for preservation, and for building on a modest scale.

The factory called De Porceleyne Fles (The Porcelain Jar), goes back to 1653. It was sold in 1874 to a Delft engineer named Joost Thooft, who worked to improve the local product and developed a superior blue. Today De Porceleyne Fles, honored with the designation, royal stands virtually alone as the producer of the ware that has made the name delft generic for classic blue pottery.

PAUL LABOUCHERE, grandson of Abel Labouchere, who was Thooft's partner, is vice president. He came into his grandfather's enterprise by coincidence, but the blue was obviously in his blood. When I suggested that the company could boost profits by abandoning hand-painting in favor of mechanical reproduction, Labouchere was shaken. "We would never do that!" he exclaimed, as though I were asking him to put water in his Dutch gin. "Delft has become known all over the world for its hand-painting," he said. "We make decorative products, but not utilitarian objects: no such thing as dinnerware or articles you can put in the dishwasher. This is art produced on a large scale, and people regard it as precious. It's very annoying when people call things delft which come from Korea and Taiwan."

Herman Koster, Royal Delft's managing director, said the Porcelain Jar was the oldest ceramic factory in Europe. "And it's the only place where people are producing earthenware the way they did 300 years ago — entirely hand-painted," he added.

Koster waxed eloquent when he spoke of his Royal Delft artists who take up the brush at about age 16, and proceed through rigorous stages.

The factory welcomes visitors — upward of 175,000 a year — and offers demonstrations of its craft plus a stunning selection for sale in an attractive retail shop archly described as a blue-tique. The cheapest item is a delft blue thimble that retails for about \$22. A plate of about 18 centimeters (seven inches) in diameter sells for \$72, another of twice that diameter, reproducing "Girl with Earring," costs \$1,340, a sum that might have pleased Vermeer for his original in the 17th century. The last copy of an edition limited to 20, a blue and white

version of Rembrandt's "Nighthawk," sold last year for \$18,000. But there is still time to buy the remaining copy — an edition of two — of a 17th-century naval battle scene, 3 feet by 5 1/2 feet, going, not quite gone, for \$22,000.

Traditional blue represents 60 percent of sales. The factory also produces polychrome (mainly yellow, red, blue, and green), Pijnacker (red, blue and gold) and black delftware. Green delft was abandoned because the green was unstable, and production difficulties ended the run of red crackle.

Royal Delft has a splendid museum of choice pieces. A large number of treasures came as a gift from King William III, who sought to encourage the delft

renaissance in the 19th century. To bouse the trove, he had sent along a huge, lovely, wooden cupboard.

The ceramic contents were, of course, fit for a king. Unfortunately, not even a ruling monarch can protect the ome delft. Spelled with a small d, the word has entered the English language to cover glazed earthenware not even made in Delft. Inferior pottery labeled delft has inundated the market, and this has raised the specter of Koster's last stand. But he has influential allies. When Dutch nobles go abroad they often take along authentic delftware. "Holland is famous for butter, milk and cheese, but delftware

Continued on page 8.

Taking the Waters: Ecstasy and Agony In Czechoslovakia

by Robert K. McCabe

FRANTISKOVY LAZNE, Czechoslovakia — There comes a time in everyone's life when the idea of going off to a spa and taking the waters — what else? — is irresistible.

Sandra's left knee had stopped working several weeks ago. Both of mine ached. Lower back pain descended on me several years ago. Was it arthritis? Rheumatism? Sciatica? Gout? Too many cigarettes or simply an overdose of good French food? We had no idea.

through Bohemia's meadows and groves. Beautiful Bohemia, on the drive out, was just as advertised, but we had our doubts at first about Frantiskovy Lazne. It looked a little run down as we trundled in one evening, and Sandra actually turned pale after we walked into a small hotel on Main Street to ask where our room might be. The place was, to put it as delicately as possible, smelly.

AND our Hotel Pawlik, when we found it, was very anonymous, and the desk clerk looked upsettingly like Jack Palance in "Shane" (a particularly malevolent role). And he brushed aside both my paunchy German and my voucher from Balnea, Czechoslovakia's spa booking agency. "We have no room," he announced.

But then, after he made a phone call, life brightened. Yes, we did have a room after all, and he pointed us at it, and it turned out to be the last one available. It was a suite. There were no evil smells. But there was a large bedroom, a more than adequate bath, and a rather oddly but splendidly furnished living room that boasted a television set, fridge and a high-powered radio. And there was a balcony. We felt suddenly very grand indeed.

Next morning we came back down to earth. A stern-looking nurse marched us along to our assigned doctor, Ivana Hyplova, a chess woman from Moravia who spoke a bit of English. We were poked and prodded and weighed and measured and Sandra was escorted off to the X-ray studio while I was given a new Dutch-made ultrasound massager to rub over my aching knee awhile.

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We had always wanted to be able to say that we'd been in Marienbad.

So we decided to spend a week at Frantiskovy Lazne, a vintage Czech spa which specializes in freezing up creaking joints. It also specializes, Czech friends took great glee in telling us, in the problems of women who wanted to become mothers.

But I had long been persuaded that the small corner of Western Bohemia that shelters this spa was the place for us, not only because of aching bones but because we had always — at least since the 1961 film by Alain Resnais — wanted to be able to say that we'd been to Marienbad, too. And what's our reward? Marienbad's Lazne (it specializes in digestive problems) was only an easy hour's drive away.



Market scene in Hunan.

The Hill People of China

by Edward A. Gargan

FENGHUANG, China — Sometimes, as dawn's first purple splashes ooze through the folds of mist that swaddle the steep hills here, the rattle of firecrackers echoes from a not too distant treeless slope as a group of Miao people bury one of their dead. Though burials are banned in China in favor of cremation, the coffin-maker on the main street was busy the day before, planing and sanding long white planks in a trade that has all but disappeared from this country.

China's William Faulkner, Shen Congwen, was born here in 1902, a writer who for nearly seven decades explored the quotidian life of the Miao and Chinese alike in a dense, allegorical style. He told, with a penetrating eye, of the quarandaries of love in a starkly formalized society, of families who lived on river boats, of villagers and banditry and the mysteries of Chengzhou magic and the jinxes of witchcraft. He wrote too of Fenghuang:

"This lonely border town with its round city wall of big, solid rough-hewn stones, is encircled by over 500 Miao villages with garrisons between them. There are also approximately 500 forts and 200 barracks. . . . This was according to a mastery plan drawn up 180 years ago to cope with the Miao tribesmen driven back to that territory who often revolted. . . . Now, all this has changed. Most of the forts are in ruins, most of the barracks are occupied by civilians, and half the minority people have adopted Chinese ways. But at sunset or dusk, if you climb a height in that town which stands impressively alone surrounded by mountains, gazing at the ruined forts near and far, you can still conjure up a

faint picture of the past when bugles, drums and torches raised an alarm."

Long closed to foreign visitors, Fenghuang and much of this part of western Hunan has now been opened to travelers who exult in the unbeaten track. A 15-hour train ride from Hunan's capital city, Changsha, to the prefectural seat of Jishou, a shabby town of muddy streets and few cars, followed by a 90-minute drive on a snake-like strip of macadam through mountains, brings a voyager to Fenghuang.

RIFE with folk tales, Miao culture pervades this town that straddles the Tuo River, as well as the secluded hill villages that squat on ledges and in valleys.

Narrow alleys paved with large flat flagstones, impassable in vehicles, slip along the river's edge sandwiched between houses of ash-gray granite and tobacco-colored wood. More modern streets surround the old town, with cement buildings in loud pastels and new metal shutters.

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TRAVEL

THE FREQUENT TRAVELER

Sizing Up Rules For Carry-Ons

by Roger Collis

CHECKING in at an airport with carry-on luggage these days can be a greater ordeal than waiting for the nod at the door of a private disco.

In Europe, a notice will say, one piece of hand baggage only. Well, but I only have this six-suit garment bag containing my sales presentation, an overnight bag and my briefcase.

You now have to run the gauntlet of security, the gate manager and finally the cabin attendant at the door of the plane, all of whom may strip you of all but one of your remaining bags.

This kind of scenario is becoming familiar to business travelers as they face up to stricter limits on the amount of baggage you can bring on board a plane.

Most people agree that something had to be done. The problem is that the new carry-on rules vary from one country to another and from airline to airline.

In some cases the airport authorities call the shots. In Spain, for example, the X-ray machines have a template which only allows bags of the "right" size to pass through.

Carry-on baggage is restricted by the number of pieces — two in the United States, one in Europe.

What counts as allowable hand baggage is also open to interpretation. Officially, the only items exempt are a purse or handbag, an overcoat, umbrella and cane, crutches, a camera but not a camera bag, a reasonable amount of reading matter, an infant bag, and duty free bags in Europe, at any rate.

Savvy travelers are now planning trips on the basis of which airlines, aircraft types and schedules airports will be most hospitable to carry-on baggage.

Says David Kyd, a spokesman for IATA in Geneva, "The feeling among airlines is that this is a commercial issue, not a purely safety one. And that a certain leeway should be left to them. British Airways has taken out seats to make way for bigger garment bag closets to get a commercial advantage. But airlines are squeezed in the middle: the governments have the ultimate say. We don't want to be too dogmatic about it, although some people would like us to be. If we do we tend to turn off customers. It's really a question of balancing convenience and safety."

THE Federal Aviation Administration in the United States requires all cabin baggage to be stowed safely in overhead bins or under the seats; all other bags must be checked. Ten major U.S. carriers have agreed to a two-bag limit which typically consists of one regular bag of up to 115 centimeters, or 45 inches and one garment bag of 10-by-14-by-36 inches.

But it all depends on the gateway airport and airline. Recently, IATA agreed new guidelines for carry-on baggage among six European carriers and six consumer groups. The minimum is one piece measuring 115 centimeters overall plus a duty free bag.

A spokesman for Iberia in Madrid says that under no circumstances will they allow more than one bag, which must have a maximum size of 110 centimeters (50 by 40 by 20). Air France is more flexible. "It depends on the destination," a spokesman says. "We are more lenient in business class."

There's no sure-fire way to avoid a hassle with carry-ons. One solution is to carry your papers in a duty free bag and stuff everything else into a garment bag. And take a tape measure along.



Detail from Veronese's "Banquet in the House of Levi."

China Continued from page 7

Three bridges span the Tuo River within the town. A steeply pitched flight of stone steps tumbles from the north end of one bridge to one of the small alleys that parallels the river to the east. Crossing over and down a worn flight of steps, another warren of narrow passageways cuts east toward the mountains and villages and west toward the center of town.

Wood houses, their planks stained deep mocha from tung oil, teeter gingerly over the currents of the Tuo, their floors balanced precariously on wooden stilts like spindly stork legs. From time to time a wooden bucket on a rope tether drops from a window to the muddy river to haul water to the house above.

Many window frames still yawn with carved wood latticework that filters light into the dim interiors of the old houses. Other houses, built from the abundant granite of the surrounding hills, crouch heavily along the alleys, their walls deeply cool to the fingertips.

Along the south bank of the Tuo, the city wall marches ponderously from the city gates. About midway between the two bridges, one of the old gates, its wooden tower reconstructed somewhat, pokes above the middle of houses and the wall itself. On the east wall, the Chinese ideograph read North Gate, but on the river side of the gate, the ideographs read Shining or Shining Screen Gate, probably the original name of the gate tower. A broad staircase of stone runs to the river from the gate to a flat slab where boys and young men come to fish and women can be seen washing clothing, beating the garments with thick flat wooden paddles.

Not far from Shining Screen Gate, behind a cracked wooden door that leads into a small courtyard, is the house where Shen Congwen was born and spent his early childhood. The house is now occupied by three families. Drying clothes hang from bamboo poles in the court-

yard and a small dark room set off to the right is where the writer slept as a young man.

Fenghuang encountered the modern world very late. In 1921, the first electricity came to town, and only in 1935, after a gravel road was put in, did the first car succeed in making it to the city wall. Even today there are few telephones and those that can be found are weighty black contraptions with cranks on the side.

To the east of Fenghuang, the passageways continue past the clutter of housing out into nearby hills where scattered villages struggle amid paddy fields wedged in the crook of the Tuo. On the north bank of the river, a rutted path leads out into villages and across the fields into steep hills. Zigzagging across the ridges of water-filled paddy fields, a trail breaks into the hills and to villages far beyond the reach of road or electricity. On the path, farmers with wooden plows slung over their shoulders swish twigs at recalcitrant water buffaloes as they shoo them toward the fields.

IT used to be that the hills around Fenghuang and to the north and west were thickly wooded with China fir, poplar and Chinese toun trees. But over the last several decades most hillsides have been all but denuded in a relentless search for forest poles and firewood. Tigers roamed these forests in years gone by, but the last tiger was seen in 1964.

Beyond Fenghuang, an hour or so to the west and north by car, smaller towns, villages are the center of markets in the heart of Miao country. The roads, narrow and serpentine, wind through hills ringed with layers of scallop-shaped paddy fields. Usually held every five days, the markets are the locus of not only commercial dealings, but a broader socializing for residents of the tiny villages buried deep to the hill country.

On market day, the roads are lined with

Miao women trooping miles from the hills toward the market town, voluminous thimble-shaped baskets woven from bamboo slung on their backs like knapsacks. Virtually all the women wear the traditional Miao dress — a beawrapping of 10 or 15 yards of a gauzelike black or patterned cloth wound around and around a woman's head like a swollen turban, sapphire blue beads, often with embroidered bodices, and trousers cuffed with strips of black cloth embroidered in brilliant colors.

Shanjiang, a tiny town northwest of Fenghuang, is a market town. The main street, a curving dirt swath that becomes muddy in the rain, begins filling with Miao women and children toward noon on market day. Some women set out rickety tables with bowls of rice and steaming soups of doufu and pickles or shreds of meat with large chips of dried red peppers. A sour soup called bishu guduo is a particular favorite. Basket sellers and makers of the platter-shaped straw hats that peasant men wear when plowing in the rain or sun squat on the edge of the street waiting for customers.

Here and there, a plump pig grovels in the dirt for grubs and young boys run through the throng yelling in high-pitched voices. On a wooden stool smoothed by use, a man with a brown sheet wrapped around him cringes slightly under the scratch of a razor as a young barber shaves his head.

Toward evening, the gravel road from town fills with Miao women, their back baskets hanging heavily with the day's purchases, as they make their way to their villages. The long column of turbaned women thins as groups come to the path that leads into the hills and home. A few donkey-drawn carts make their way along the road, lugging heavy blocks of granite for the stone village houses.

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On the Trail Of Veronese In Venice

by Michael Gibson

VENICE — Only a few months ago, St. Jerome was in a sorry state; covered with mold and grime, you could hardly make him out anymore. But restoration on Paolo Veronese's paintings has been under way for more than 20 years, and in the spring of this year, the 400th anniversary of the artist's death at the age of 60, the big picture was cleaned and the aged painter can now distinctly be seen, beating his bleeding breast with a stone while his familiar loo weeps at his feet.

For this anniversary, the city is displaying many of its restored treasures by Veronese at the Accademia (to Sept. 30) and encouraging tourists to roam the city and visit churches and other buildings where his paintings can be seen.

A brochure sold at the Accademia and in tourist offices contains a map indicating the buildings and their hours, and a summary description in Italian of the paintings to be seen. Better, if you can, is to find a Venetian knowledgeable in art history and restoration, such as Paolo Cadorna, who happened to be undertaking the tour on a morning when several of his friends somehow decided to do the same thing. Cadorna is chief of restoration of the museum in Basel and his Venetian ancestors ran one of the five sculptor's workshops of the old maritime republic. We met at the Accademia in front of the "Banquet in the House of Levi."

This is a large work (5 1/2 by 13 meters, or about 18 by 43 feet), completed in 1571. "As most art students know," said Cadorna, "it was originally intended to represent a Last Supper. The Inquisition, however, did not approve of the treatment. Certainly, for a Last Supper, it was far removed from Leonardo's sobriety. Veronese's supper is full of servants, onlookers and gate-crashers."

THE Inquisition gave him three months to fix the painting at his own expense. Instead, he simply changed the title so that it represented the banquet in the house of Levi, and unequivocally painted a Latin inscription at the top of one of the pillars: "Fecit D. Coui Magnus Levi — Luca Cap. V." (Levi Gave the Lord a Great Banquet — Luke Chapter V).

The Inquisition could no longer object and the painting was installed in the refectory of a Venetian convent. More than a century later, in 1697, the building burned down, but the canvas, hastily cut into three equal parts and rolled up, was passed through the window, mutilated but saved.

In 1828 a Venetian painter, Sebastiano Santini, was entrusted with the restoration. Among his more dubious initiatives was the over-painting of Veronese's sky in which the shades of night were turned to day. Today, Veronese's night and the pale, almost transparent architecture of the city in the background can be seen.

The "Annunciation" also a mature work, presents a problem that allowed Cadorna to make an interesting point. The Virgin Mary is standing on the far right. Her attitude and expression reveal that she has been frightened by the sudden

entrance of the angel on the far left. But what is one to make of the blue patch under the chair at center right? As it happens, the painting was mutilated at one point, and the whole central part of the floor was cut out. It was later restored, but the restorer never did figure out the significance of the blue patch.

This patch, says Cadorna, was originally the tail end of the Virgin's robe which, in the current version, is cut short at her feet. Once this is understood, it becomes apparent the Virgin was sitting on the chair when the angel appeared. In her fright, however, she jumped up and fled to the far right, a movement Veronese eloquently materialized by the long line of her train.

AFTER the Accademia, one can head for the church of San Sebastiano. Instead of the simpler route along the Zattere and the Giudecca Canal, follow the narrower streets and canals, passing by San Trovaso and the little Rio Ognissanti.

San Sebastiano was built around 1506 to honor the saint who, according to the symbolic language of the church, had protected Venice from the fatal arrows of the plague some 50 years earlier. Its decoration, begun around 1555, was the most ambitious undertaking of Veronese's youth and maturity, and he worked on it for 15 years.

The entire inner surface of the church and the ceiling of the sacristy were decorated by him with frescoes and paintings. Time has provoked an imbalance — the frescoes have grown paler while the paintings grew darker. Restoration has re-established the values of the paintings, but the frescoes cannot be given the same treatment.

A small detour on the way to the church of San Barnaba allows a visit to the church of the Camerini (currently being restored) and the delightful Campo Santa Margherita, with its outdoor market — a detour that takes the visitor through part of the city where normal life continues even as invading hordes stamp across San Marco.

San Barnaba offers an intimate Veronese "Holy Family" dating, it is believed, from around 1560.

Another imposing body of works by Veronese is to be seen in one of the Doge's Palace, where the painter decorated four of the important halls of state. There are eight more churches in various parts of Venice (including the island of Murano) with one or more paintings and offers a pretext for idling through streets not frequented by tourists.

Near the Biennale gardens, for instance, there is San Giuseppe di Castello, beside a broad canal cheerfully beflagged with the day's wash. Visitors arriving toward six in the evening may not be able to see Veronese's "Nativity" from close up, because the church may well be occupied by two dozen old Venetian women, reciting the rosary in the nasal singsong of the city's speech. As consolation, there is a striking trompe l'oeil ceiling, not noted in the more compact guide books, which gives the impression that the building is at least twice as spacious as it really is. The illusion is perfect when one stands on a stone loggia at the center of the building. But it is also strange to see the whole top floor vaulting ominously and falling as one walks away from the spot, looking up.

Delft Continued from page 7

makes a much better gift," said Koster. "It's much nicer than having the queen carry cheese."

In a postwar shift of communal boundaries, the property of a smaller, rival company, De Delfse Pauw (The Delft Peacock), was assigned to a suburb of The Hague that borders Delft. The Peacock director, Gijbertus van Lent, is unabashedly irredentist, noting, "We get our phones, electricity and gas from Delft," adding sotto voce, "but we are a hundred yards out of Delft."

He insists that all products are hand-painted, and that he sells cheaply because his sole outlet is the factory store. "We have painted cows and houses and buildings and anything the client ordered," he said.

The town's pottery trade began three centuries ago when Delft was celebrated for beer, and there were more than a hundred breweries. When water pollution destroyed the beer industry, resourceful brewers scrambled to avoid being left high and dry. The Dutch were at war with Spain and Portugal, and prizes of war included Chinese porcelain, with more arriving in ships of the East India Company — whose headquarters building still stands in Delft.

By the end of the 17th century there were 30 potteries. But French and German porcelain, and Josiah Wedgwood's development in England of the white pottery body, left Delft potters helplessly spinning their wheels. Delftware was highly porous, Dutch clay — with its iron oxides — unsuitable for white pottery, and the cost of importing foreign clay was prohibitive. By the middle of the 19th century, the city's potteries were going the way of the beer. At present, with transport costs minimal,

England's Crown Derby Royal Delft imports its clay from the factory store.

The city of Delft is a treasury of vintage charms. The marvelously compact and enticing center is intricately adorned by houses of centuries past, with low buildings still the vogue: steepled gables, high, narrow stairs, bumble streets, well-concealed courtyards, long canals bordered by lime trees. At opposite ends of the Markt square are the Stadsburg, or Town Hall, representing secular power, and the Nieuwe Kerk, or New Church, symbolizing spiritual authority. The church is new because it was begun as recently as the 14th century, while the nearby Oude Kerk, or Old Church, goes back to the 13th.

William the Silent lived in the neighboring 15th-century Prinsenhof, or Prince's Court, and led the Dutch struggle against Spain's hegemony. It was in the Prinsenhof that an assassin waylaid the Father of the Fatherland, and two bullet holes in the wall, now set off by a frame and meticulously captioned, are the most popular exhibit. The Prinsenhof now serves as a handsome repository for other historic relics, and for paintings, pottery, silver and tapestries.

Delft, a town of 86,000 inhabitants, has many small hotels, and for those seeking luxury the simple solution is to stay in The Hague, seven minutes away by train, with more than a hundred departures daily. There is even a streetcar — Tram Line I — that runs from Delft to The Hague and seaside Scheveningen. Unaccountably, there is not yet a blue-tique aboard train or tram for last-minute purchases, but this is surely only a passing oversight.

Israel Shenker, a writer who lives in Scotland, wrote this for The New York Times.

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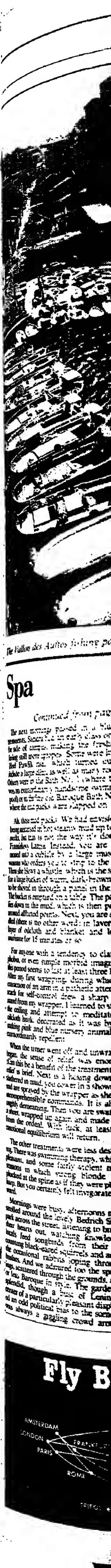
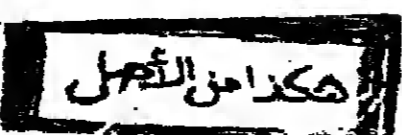
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Thursday's NYSE Closing

Tables include the netwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

High	Low	Open	Close	Change
120 1/4	119 3/4	120 1/4	119 3/4	-1/8
119 3/4	119 1/4	119 3/4	119 1/4	-1/4
119 1/4	118 3/4	119 1/4	118 3/4	-1/2
118 3/4	118 1/4	118 3/4	118 1/4	-1/2
118 1/4	117 3/4	118 1/4	117 3/4	-1/2
117 3/4	117 1/4	117 3/4	117 1/4	-1/2
117 1/4	116 3/4	117 1/4	116 3/4	-1/2
116 3/4	116 1/4	116 3/4	116 1/4	-1/2
116 1/4	115 3/4	116 1/4	115 3/4	-1/2
115 3/4	115 1/4	115 3/4	115 1/4	-1/2
115 1/4	114 3/4	115 1/4	114 3/4	-1/2
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113 3/4	113 1/4	113 3/4	113 1/4	-1/2
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INTERNATIONAL MANAGER

More U.S. Firms Insisting On Overseas Experience

By CLAUDIA H. DEUTSCH

NEW YORK — Richard W. Siebrasse, president of CPC International Inc.'s worldwide consumer foods division, has never worked outside the United States.

"I intend to make international experience for our American managers a key issue," said Mr. Siebrasse, who was named head of the new CPC division in January.

"These days, there's not a discussion or a decision that doesn't have an international dimension," he said.

Slowly but surely, hands-on international experience is moving out of the "nice but not necessary" category and into the "must have" slot for those on the corporate fast track.

Numerous companies are redesigning their management development programs to include international assignments.

The reason for the change: competition from foreign companies, both in overseas markets and at home.

Companies want more than the corporate equivalent of a junior year abroad. They want executives who have immersed themselves in another culture and who can apply what they learned about that culture's laws, tastes and business methods when they come home.

BOOK KNOWLEDGE cannot replace experience, other management experts said. "You are not really an internationalist unless you've lived as a minority in another environment," said William Voris, president of the American Graduate School of International Management, in Glendale, Arizona.

"Decision making is slower overseas, the nuance of dealing with governments is different," said Carl W. Menk, president of Carney Bowen, a recruiting firm that has seen requests for executives with international experience triple in the last three years.

What overseas experience provides generally, said human resource professionals, is the ability to recognize that things work differently elsewhere.

"It is not just language and culture; these people develop a broader set of problem-solving skills," said John R. Fulkerson, director of human resources for Pepsi-Cola International, a PepsiCo division that handles the sale of beverages outside the United States.

"If they've seen people delivering things on bicycles in China, they will be more willing to look at alternatives of

U.S. Sales Up 0.5% For June

Report May Ease Inflation Fears

WASHINGTON — U.S. retail sales, boosted by strong auto purchases and hot-weather-related buying at department stores, rose a moderate 0.5 percent in June, the government said Thursday.

The Commerce Department said sales rose \$713 million last month to a seasonally adjusted, but not inflation-adjusted, \$123.8 billion.

Economists had been expecting a gain of about 0.8 percent. However, the government revised its original figure for May to a 0.3 percent increase, up from 0.1 percent.

The moderate June increase may ease fears in financial markets that an overly strong economy poses the danger of inflation.

Automotive sales in June were up 1.2 percent to \$29.7 billion, a strong increase after declines in both April and May.

Sales at department and other general merchandise stores were up 1.87 percent to \$15.2 billion, the strongest gain since August, when the rise was 1.94 percent.

Food and grocery store sales were down 0.4 percent. Drug store sales fell 0.5 percent.

For the first six months of the year, overall sales were up 6.4 percent from the first half of 1987.

However, excluding autos, first-half sales were up only 4.6 percent, barely ahead of the 4.4 percent rate for January through May.

Coleco Makes Waves in Hong Kong

Petition Adds To Pressures In Toy Industry

HONG KONG — Hong Kong's toy makers face big losses after Coleco Industries Inc.'s decision to file a petition for protection from creditors under Chapter 11 of the U.S. bankruptcy code.

The blow follows a Chapter 11 filing in December by another major U.S. toy concern, Worlds of Wonder Inc., which owed various toy makers here more than \$400 million Hong Kong dollars (\$50 million).

Coleco owes more than \$100 million to domestic and foreign lenders.

An industry spokesman said Kader Industrial Co. was Coleco's largest creditor in Hong Kong with contracts worth \$6.3 million Hong Kong dollars outstanding.

Kader and Applied Electronics Ltd., which is owed 27.5 million dollars by Coleco, also were creditors of Worlds of Wonder.

Wah Shing Toys Consolidated, another local toy maker, said Coleco owed it 9.36 million dollars.

"We have been discounting against losses from Coleco contracts since the beginning of the year," a Wah Shing spokesman said.

Coleco, based in West Hartford, Connecticut, soared to the top of the toy industry after the introduction in 1983 of the enormously popular Cabbage Patch Kids dolls.

In 1985, the company had its strongest financial condition ever, with record earnings of \$64 million and sales of \$776 million.

But as the Coleco expanded, the Cabbage Patch fad abated. Analysts said the company did not trim costs soon enough.

When the toy industry fell into a slump in 1987, Coleco was hard hit.

The bankruptcy filing had been expected after the company was unable to persuade its bondholders to approve a \$335 million restructuring.

Coleco had losses of \$215 million over the past two years.

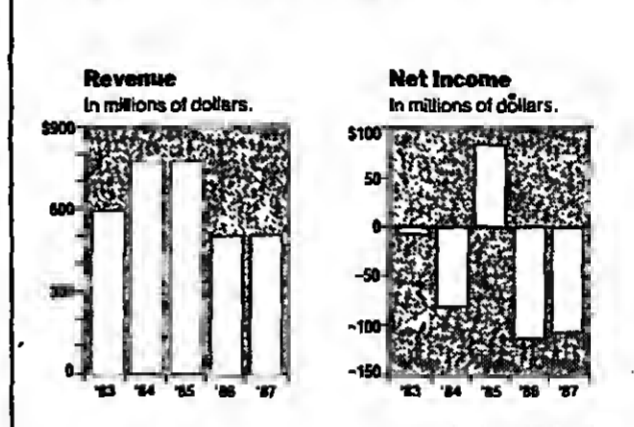
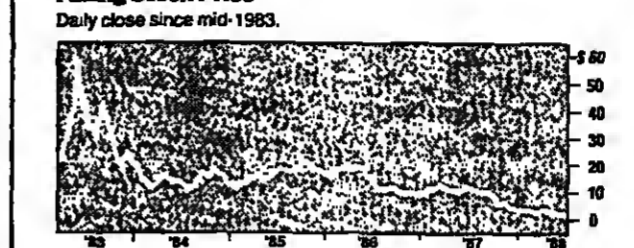
A local industry spokesman said many of Coleco's problems had been caused by a decline in demand for high-technology toys.

"Clearly there has been some poor management as evidenced by two years of losses and by the fact that after the restructuring the former senior management is



Coleco's Cabbage Patch Kids, which led to overexpansion.

Coleco Industries designs, manufactures and markets a wide variety of toys, games and entertainment products including Cabbage Patch Kids, Alf toys, and the Scrabble and Trivial Pursuit games.



Revenue and Net Income in millions of dollars. Source: Company reports.

U.S. Banks Lift Prime to 9.5%, 2d Rise in '88

NEW YORK — U.S. banks raised their prime lending rates Thursday to the highest level in more than two years, a half-percentage point rise to 9.5 percent that signaled more expensive loans for consumers and businesses.

It was the second boost in the key lending rate this year and reflected the banks' own costs of borrowing money, which has been rising steadily over the past few months.

Chase Manhattan Bank in New York was the first to announce the rate increase and was quickly followed by other big banks, including Citibank, First National Bank of Chicago, Bank of New York and Manufacturers Hanover.

The last increase in the prime was on May 11, from 8.5 percent to 9 percent. The increase Thursday put the prime at the highest point since March 1986.

The action came one day after the chairman of the Federal Reserve Board, Alan Greenspan, delivered his mid-year report on Fed monetary policy to Congress, saying the central bank stood ready to boost interest rates if the pace of economic growth did not slow in coming months.

Some analysts said they believed the banks made their moves because they interpreted Mr. Greenspan's congressional testimony as an indication that the Fed had no intention of increasing its bellwether discount rate.

David Wyss, an economist with Data Resources Inc., said that the banks had hoped to use a hike in the Fed's discount rate, the interest the central bank charges to make loans to member banks, as an excuse for raising the prime rate.

"The spread between the prime rate and banks' cost of funds had narrowed enough that banks felt they needed a bigger return," Mr. Wyss said.

But Mr. Wyss and other economists said they believed the jump in the prime may be the last until the November election.

Mr. Greenspan issued stern warnings on Wednesday about rising inflationary threats in the economy, singling out as particularly worrisome the tight labor market, rising import prices and the drought's effect on grain prices.

He said the central bank had already made a series of credit-tightening moves "from late March through late June" in an effort to keep inflation in check.

There had been widespread expectations that the Fed would soon move to nudge interest rates higher, especially since the unemployment rate fell to a 14-year low of 5.3 percent in June.

Beginning in late March, the Fed initiated a series of credit-tightening moves by reducing the amount of money banks have to make loans. Those efforts have pushed the federal funds rate, which banks charge each other for overnight loans, up by about one percentage point. The rate was about 7 13/16 percent Thursday afternoon.

That in turn triggered an increase in the prime lending rate to 9 percent in May and sent mortgage rates, which had dropped below 10 percent, up to a current level of 10.38 percent.

David Jones, an economist with Aubrey G. Lanston & Co., a New York securities dealer, said he believed rates would hold steady at these levels in coming months.

"Greenspan feels he has taken the appropriate tightening steps and that will be enough to cool off demand growth in the second half of the year," Mr. Jones said.

Michael Evans, head of a Washington consulting firm, said: "Greenspan believes the economy will not be that strong in the second half and that you shouldn't tighten credit conditions with an economy slowing considerably."

Mr. Wyss predicted that the Fed would "keep its head low during the election campaign" and would avoid its strongest tightening move, a boost in the discount rate it charges on money it loans to member banks.

Many analysts said they believed Mr. Greenspan, and the other members of the Fed's board of governors, all appointed by President Ronald Reagan, would try to keep the economy on an even keel in an effort to promote Vice President George Bush's presidential chances.

U.K. Jobless Rate Falls; Industrial Output Rises

LONDON — The British unemployment rate fell to a seasonally adjusted 8.4 percent in June from 8.6 percent in the previous month, while industrial production rose 0.6 percent in May, the government said Thursday.

But concern that the British economy, now in the sixth consecutive year of growth, was seriously overheating were partly allayed on Thursday by other figures, which showed May's average earnings rose by a lower than expected seasonally adjusted annual rate of 8.5 percent, unchanged from April.

In addition, the Department of Employment said half the unemployment decline in June was the result of a new definition of employment. People employed by government training programs now are being counted as having jobs.

The new practice brought Britain more in line with other European countries' methods of defining employment. It added 334,000 people to the work force.

Total seasonally adjusted British unemployment came to 2.38 million people in June, down from a revised 2.41 million people in May and 2.92 million people in June 1987, when the jobless rate was 10.4 percent, the department said.

Meanwhile, May industrial production was up 3.8 percent from a year earlier, according to the Central Statistical Office.

The latest figures compared with April's revised 1 percent month-to-month rise and 4 percent year-to-year rise.

For the average earnings indicator, considered a good guide to inflationary pressures, most analysts had expected an increase of about 8.75 percent. Some had even anticipated 9 percent, a level that would have increased pressures for another rise in British interest rates at a time when high domestic consumption is producing a worsening in the current-account balance.

Employment Secretary Norman Fowler said last month that an 8.75 percent annual rate of wage increases would lead manufacturers to limit hiring. Even at 8.5 percent, the rate is far above the 4.2 percent annual inflation rate in May.

In his fight against the threat of renewed inflation, the government has pushed up the cost of borrowing by half a percentage point five times since the end of May — the last on July 4 — and base interest rates now stand at 10 percent, a level last seen just before the October stock market collapse.

Speaking to the rest of the British cabinet on Thursday, Nigel Lawson, chancellor of the Exchequer, took up the theme of the threat of higher inflation implicit in Britain's economic boom.

He warned that government spending would have to be kept under control so as not to fuel inflation by injecting too much money into the economy.

In an annual discussion on expenditure, the cabinet decided to keep spending as close as possible to the £167 billion (\$282.4 billion) target set for next year.

Soaring house prices, a widening balance of payments deficit, high pay increases and the size of consumer debt have indicated that inflation levels are set to rise.

Retail price figures to be announced Friday are expected to show a rise in inflation to 4.5 percent from 4.2 percent.

(AP, Reuters, AFP)

Currency Rates

Table with columns for Currency, Unit, and Rate. Includes entries for Amsterdam, Frankfurt, London, etc.

Changes in London, Tokyo and Zurich markets in other currencies. New York closing rates.

Other Dollar Values

Table with columns for Currency, Per \$, and Rate. Includes entries for Argentina, Austral, etc.

Forward Rates

Table with columns for Currency, 30-day, 60-day, 90-day, and Rate.

Source: Reuters Bank (Brazil); Banca Commerciale Italiana (Milan); Banco Paranaense (Parana); Bank of Tokyo (Tokyo); IMF (SDR); BAI (dollar, ryal, drachm); Goobank (Frank); Other data from Reuters and AP.

Interest Rates

Table with columns for Currency, Deposit, and Rate. Includes entries for Eurocurrency Deposits, 1 month, 3 months, etc.

Notes: Applicable in interbank deposits of \$1 million minimum (or equivalent).

Key Money Rates July 14

Table with columns for Market, Rate, and Yield. Includes entries for United States, Discount rate, etc.

West Germany

Table with columns for Market, Rate, and Yield. Includes entries for Discount rate, 1-month, etc.

France

Table with columns for Market, Rate, and Yield. Includes entries for Intervention rate, 1-month, etc.

Source: Reuters, Bank of Tokyo, Commerzbank, Credit Lyonnais.

Asian Dollar Deposits

Table with columns for Deposit, Rate, and Yield. Includes entries for 1 month, 3 months, etc.

Source: Reuters.

U.S. Money Market Funds

Table with columns for Fund, Yield, and Assets. Includes entries for Merrill Lynch Ready Assets, etc.

Source: Merrill Lynch, TeleRate.

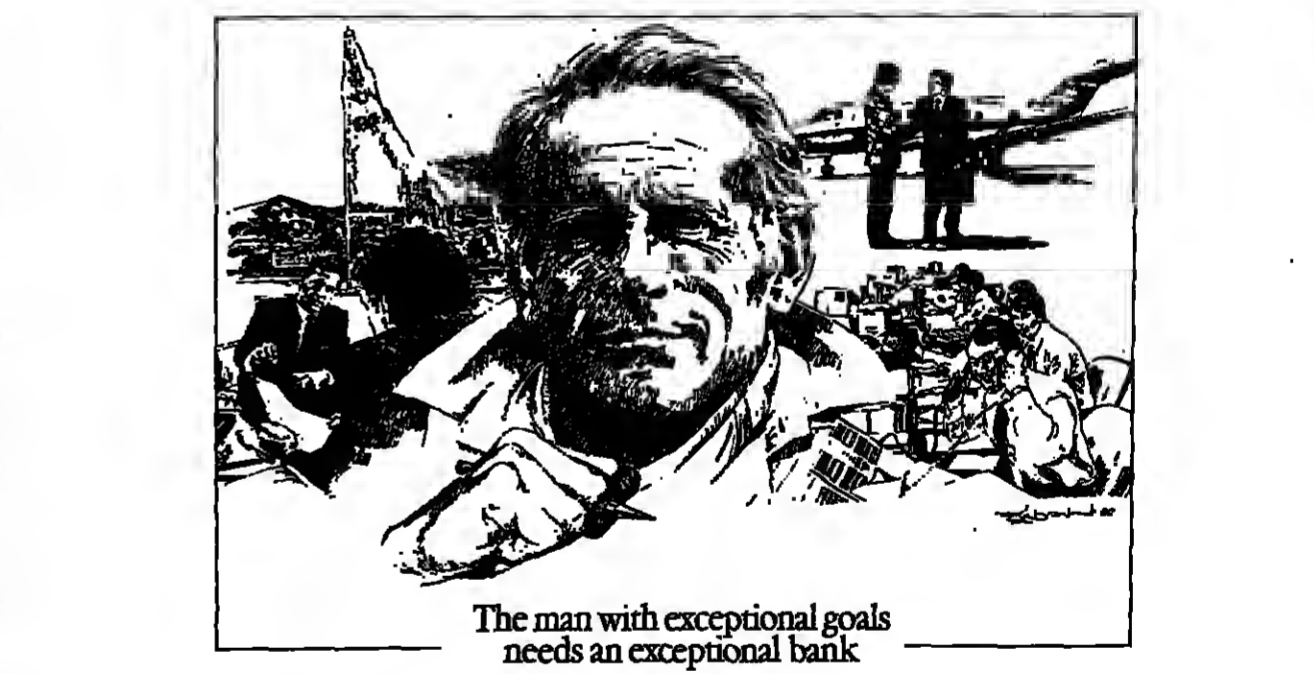
Gold

Table with columns for Market, Price, and Change. Includes entries for Hong Kong, London, etc.

Source: Reuters.

Luxembourg, Paris and London official figures; Hong Kong and Zurich opening and closing prices; New York and market close. All prices in U.S. dollars.

See STOCK, Page 13



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BUSINESS ROUNDUP

MCI to Buy Back IBM's 16% Stake

NEW YORK — MCI Communications Corp. will spend \$677 million to buy back the 16.2 percent stake in the company that is held by International Business Machines Corp., the companies announced Thursday.

MCI is paying less than the market price to repurchase its stock. At the closing price of \$15.375 a share Wednesday in over-the-counter trading, the roughly 47 million shares would have cost more than \$720 million.

Singer to Sell 2 Units Under Divestment Plan

STAMFORD, Connecticut — Singer Co. said Thursday it would sell two divisions for a total of \$455 million. Plessey Co. of Britain will buy Electronic Systems Division for \$310 million, and Hudson Corp. of Oklahoma will buy HRB Division for \$145 million.

F. Akerson, MCI's chief financial officer, said in an interview. "We view it as a very advantageous moment to buy back our own stock," said Kathleen Keegan, a spokesman for MCI. "We see it as demonstrating extreme confidence in the future of the company."

She said the agreement "has no effect on cooperative marketing and cooperative development efforts" with IBM. "We will continue to work together on providing systems in the marketplace."

An IBM spokesman, Michael Starks, said the sale represented a gain for IBM, which had been carrying the stock on its books at a value of \$528 million.

MCI is doing well again after a dismal performance in 1986, when it lost \$448 million. It earned \$69 million on revenue of \$1.13 billion in the first quarter of 1988.

In late 1986, MCI posted a huge loss and cut its staff by 15 percent — down to 13,700 — after being forced to lower rates following similar price cuts by AT&T. Moreover, in December 1986, the company's chairman, William G. McGowan, had a heart attack and did not return to work full time for several months. He underwent a heart transplant operation in April 1987.

BaE to Accept EC's Terms on Rover Purchase

LONDON — The British government said Thursday that agreement had been reached on the takeover of the state-owned Rover Group PLC by British Aerospace PLC, which had accepted terms laid down by the European Commission.

Lord Young, the British trade and industry secretary, told Parliament that BaE would still pay £150 million (\$253.7 million) for the government's 99.8 percent shareholding in Rover.

The government, BaE and the commission have also agreed to a new cash injection of £547 million into Rover, comprising £469 million in recognition of Rover's historic debt and £78 million to support part of Rover Group's investment program, he said.

The EC had objected to the government plan to write off £800 million of Rover's debt.

Company Results

Revenue and profits or losses, in millions, are in local currencies unless otherwise indicated.

Table with columns for Company Name, Year, Revenue, Profit, and Per Share. Includes entries for Britain (Rover Group, Bank of New England), Japan (Furukawa Electric, Nippon Mining Group, Suzuki Motor Group), Taiwan (Formosa Plastics), United States (Ammer, President Cos), and various international companies like Coca-Cola, Comertec, and First Chicago.

In September Government leaders and executives in the aerospace industry from Asia, Africa, Europe, the Middle East and the Americas will turn their attention to the Farnborough Air Show. But first they'll turn to the International Herald Tribune.

The International Herald Tribune is required reading for leaders in aviation and the aerospace industry around the world. At the Farnborough Air Show 2,000 additional copies will be specially distributed to the people you most want to reach. Take advantage of this important opportunity in the IHT. For more information, call:

Advertisement for SHEARSON LEHMAN HUTTON MANAGED CURRENCIES PROGRAM. Includes contact information for Penny Lowe in London, Michael Lee in New York, Wolfgang Lauterbach in Frankfurt, Patricia Goupy in France, Malcolm Glenn in Hong Kong, and Andrew Thomas in Singapore.

Lufthansa Sees Cost Problems For the Year

FRANKFURT — Deutsche Lufthansa AG expects difficulties in 1988 that are likely to affect earnings, Heinz Ruhnu, management board chairman, said Thursday.

He said airspace and airport overcrowding in Frankfurt and Munich could cost as much as 100 million Deutsche marks (\$54 million) and higher wages would add 60 million DM to costs. A new price war on the North Atlantic routes is also affecting earnings prospects, he said.

"We have to work hard to achieve a decent result," Mr. Ruhnu said at the annual shareholders' meeting. "There are burdens in 1988 for which we will not be able to fully compensate."

Mr. Ruhnu said Lufthansa's business would expand in 1988 but growth would be slower than in 1987. He did not give detailed earnings figures for the first six months of 1988. Lufthansa's passenger load factor fell to 63.8 percent in the first half from 64.0 a year earlier.

In the first four 1988 months, Lufthansa's parent company pretax losses narrowed to 138 million DM from 182 million DM a year earlier.

After Dismal Ratings, CBS Shakes Up Top Management

By Peter J. Boyer New York Times Service

NEW YORK — CBS Inc., coming off its worst prime-time ratings performance, has announced a major shift in its executive ranks, naming Howard Stringer, president of CBS News, as president of the CBS Broadcast Group.

In his new position, Mr. Stringer, 46, will be in charge of all broadcast operations, including news, sports, entertainment and network-owned stations.

Mr. Stringer replaces Gene F. Jankowski, who was named to the newly created position of chairman of the broadcast group, which was described as a "transitional" post.

Mr. Stringer's job as head of CBS News will go to an outsider for the first time. David W. Burke, a vice president at ABC News, Mr. Burke is also a former aide to Senator Edward M. Kennedy, Democrat of Massachusetts, and former Governor Hugh Carey of New York.

Laurence A. Tisch, CBS president, chief executive and major stockholder, said after the announcement Wednesday that the changes were the beginning of "a new era" at CBS, which for the first time finished behind both NBC and ABC in a ratings season.

Mr. Jankowski is the highest-ranking holdover from the management team overturned by Mr. Tisch in a 1986. He will remain at the network, but it was clear that Mr. Stringer had emerged as the key member of Mr. Tisch's new management team.

On the programming side, the hoped-for change will be improved relations between CBS and the Hollywood production community.

In recent years, CBS has had a reputation for interfering too much with the program development process and was not the network of first choice for many producers.

Similarly, the CBS programming department in Hollywood, under Kim LeMasters, the president of CBS Entertainment, has chafed under New York management.

Mr. Burke comes from an organization at ABC that viewed itself as a major supplier of programming for its network. That approach has been attempted by CBS News under Mr. Stringer, and it was expected that Mr. Burke would continue the effort.

Mr. Stringer vowed to establish a new tone. "My job is to stimulate discussion and to let the best and the brightest in the Hollywood community walk through our halls without fear," Mr. Stringer said. "My job is to support Kim LeMasters, not meddle with him. I want to enhance the creative process, not oppress it."

Wednesday's moves culminated a monumental career rise on the part of Mr. Stringer, who came to CBS News in 1965 as an immigrant from Wales looking for work in American television. He signed on at CBS as a researcher and earned a reputation as an accomplished producer of documentaries before entering management as a news vice president in 1984.

Murdoch Makes Offer for Bible Publisher

NEW YORK — Rupert Murdoch has agreed to buy a leading religious publisher, Zondervan Corp., for about \$56.7 million.

Under the agreement, a subsidiary of Harper & Row Publishers Inc., which Mr. Murdoch's News Corp. controls, is offering \$13.50 a share for Zondervan shares outstanding.

Zondervan, based in Grand Rapids, Michigan, had 1987 net income of \$859,000 on sales of \$105.8 million. Its main business units are its book and Bible division, music publishing and 80-store

chain of bookstores. Its publishing program includes exclusive rights to the New International Version Bible, the market leader in sales.

Zondervan said Wednesday that the merger agreement had been approved unanimously by its board. Harper & Row said it had arranged financing for the transaction.

"Our goal is to give Zondervan the resources to enhance its premier position in Christian publishing and retailing and to expand its marketing reach into the academic, professional and general book marketplaces, where Harper has its primary strength," said George Craig,

president and chief executive of Harper & Row.

Zondervan said the tender offer and merger would not be completed until after the federal and other necessary approvals are obtained.

The publisher was a takeover target last year. In June 1987, Miwok Capital Corp., a California brokerage firm, took a 10.6 percent stake in Zondervan and looked for other parties to help it acquire the publisher. Earlier this year, Miwok was part of a group including the British investor Christopher Moran that unsuccessfully tried to buy Zondervan.

Advertisement for Pacific Selection Fund N.V. Net Asset Value on July 7, 1988. U.S.\$8.37 per U.S.\$1 unit.

STOCK: Freddie Mac Eases Curb

(Continued from first finance page) had large losses, Freddie Mac has had steady earnings growth.

The ownership action, which has wide support in Congress and the thrift industry, came Wednesday when the three-member board of Freddie Mac voted unanimously to eliminate the restrictions on the transfer of the corporation's stock as of Jan. 1.

The Freddie Mac board is the same as the Federal Home Loan Bank Board, which regulates the saving and loan industry.

As recently as January, Freddie Mac stock was being traded among savings and loan institutions through designated dealers at around \$50 a share.

But as debate over permitting public ownership of the stock heated up in recent weeks, the stock rose above \$80 a share. On Wednesday, the stock traded at \$100 a share, and trading was subsequently stopped in anticipation of the Freddie Mac board's decisions. On Thursday it soared \$35.50 to \$135.50 on the New York Stock Exchange.

Some analysts have predicted the stock could trade as high as \$150 a share. If the stock indeed reaches \$150, that would represent a paper increase for the 15 million shares outstanding of \$1.5 billion on the books of the nation's savings institutions.

When trading to the public became possible on Jan. 1, they could either continue to hold the unrestricted stock in their capital accounts or sell them to the public.

Under the plan, Freddie Mac will offer to exchange each share of the current restricted stock for a new share of unrestricted stock. For such an exchange, the savings and loan institutions would pay the agency \$7 a share. The exchange fee could net Freddie Mac \$105 million.

The exchange offer is to expire on Nov. 30, after which any share not traded in will continue to be subject to the current transfer restrictions. As of Jan. 1, the new shares could be sold to the public, and an ownership cap of 600,000 by any one shareholder will be phased in.

OVERSEAS: Sinit Abroad Vital

(Continued from first finance page) how to get something from point A to point B here.

Few human resources people suggest that Americans should be sent overseas in place of local nationals. Instead, they are seeking ways to get the two groups to coexist. At Kodak, Americans are often placed in the No. 2 or No. 3 spots overseas, leaving the top spot to a foreign national. American Cyanamid Co. has rotated about 30 people into the No. 2 spots at foreign-run subsidiaries over the last decade.

Absorbing the substantial costs and finding the right slots may still be the easy part of moving Americans overseas. The hard part, companies have found, is overcoming a long-justified antipathy to overseas assignments.

Ambitious managers have traditionally had good reason to shy away from foreign assignments. "Out of sight, out of mind" was

more than just a cliché at most multinational companies. People would go overseas for a few years, then be brought back — only to discover that there was no meaningful work to give them.

That is still the case at many businesses, management experts said. "Most are not past the lip-service stage," said Mary Ann De-vanna, an associate dean at the Columbia University business school. "They have yet to promote a lot of people who've been overseas."

On the other hand, at Dow Chemical Co., every executive who is sent overseas is assigned a "godfather" at home. The godfather, usually a level or two above the overseas executive's immediate boss, is responsible for keeping tabs on the temporary expatriate's performance and insuring that, after a few years, that person's name is automatically considered when an appropriate job opens up back in the United States.

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NOTICE TO SHAREHOLDERS

The Extraordinary Shareholders' Meeting held on June 1, 1988, adopting the proposal of the Board of Directors, resolved to give the right to all the holders of the Company's shares, redesignated as ordinary shares, to convert into preferred shares up to a maximum of 10,000,000 ordinary shares or 50% of the presently issued capital.

The new preferred shares without voting rights will, inter alia, be entitled to receive from January 1, 1989 on a cumulative preferred minimum dividend equal to 7.5% of the preferred share par value, but not less than 115% of the dividend payable on ordinary shares.

- 1) Shareholders have the right to convert, on an irrevocable basis, one out of every two ordinary shares held by them into one preferred share.
2) To the extent that more preferred shares remain available within the maximum of 10,000,000 preferred shares, shareholders have the right to convert, on a pro rata basis, up to the total number of ordinary shares held by them into preferred shares.

No fractional preferred shares shall be issued. Any fraction will be disregarded and accordingly any allotment of preferred shares will be rounded down to the preceding full share.

Conversion period: from 18 July 1988 to 17 August 1988. Applications for conversion, which are free of charge, should be made, by using the Conversion Form, at the offices of the following Conversion Agents:

- in Luxembourg: Banque Internationale à Luxembourg;
- in Italy: Banca Commerciale Italiana, Banca C. Steinhilber & C., Banca d'America e d'Italia, Banca del Monte di Lombardia, Banca Lombarda di Depositi e Conti Correnti, Banca Nazionale dell'Agricoltura, Banca Nazionale del Lavoro, Banca Popolare di Novara, Banca Popolare di Sondrio, Banca Subalpina, Nuovo Banco Ambrosiano, Banco di Napoli, Banco di Roma, Banco di Sicilia, Cassa di Risparmio delle Provincie Lombarde, Cassa di Risparmio di Torino, Credito Commerciale, Credito Italiano, Credito Varesino, Istituto Bancario Italiano, Istituto Bancario San Paolo di Torino, Monte dei Paschi di Siena;
- in Switzerland: Credit Suisse;
- in France: Lazard Frères & Cie.;
- in the Federal Republic of Germany: Commerzbank;
- in Great Britain: S.G. Warburg and Co., Lazard Brothers and Co.;
- in the Netherlands: Amsterdam-Rotterdam Bank;
- in Belgium: Banque Bruxelles Lambert

Application has been made to list the new preferred shares so created on the Luxembourg Stock Exchange.

In connection with the application for the listing of the preferred shares on the Luxembourg Stock Exchange the "Notice Légale" relating to the issue of the preferred shares has been lodged with the Chief Registrar of the District Court of Luxembourg (Greffier en Chef du Tribunal d'Arrondissement de et à Luxembourg), where it is available for inspection and where copies thereof can be obtained upon request.

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CURRENCY MARKETS

Late Buying Burst Boosts the Dollar

Compiled by Our Staff From Dispatches

NEW YORK — The dollar surged in late trading Thursday, bringing off intervention by the Federal Reserve System and closing at a nine-month high against the Deutsche mark, dealers said.

They said the increase in prime lending rate by U.S. banks, from 9 percent to 9.5 percent, as well as a moderate increase in U.S. retail sales for June, helped boost the dollar.

Neither factor had much impact on earlier European trading, which was muted ahead of U.S. trade figures for May, to be released Friday.

But the thinness of the market exaggerated the dollar's rise, dealers in the United States said, adding that lingering rumors of a U.S. trade deficit below the consensus range had little impact on trading.

They said the Fed sold dollars at about 1.8490 DM in late trading. It was a seller earlier as the dollar jumped to an 11-month high of 1.8510 DM, partly as a function of "short mark" long yen positioning.

The dollar rose to 1.8533 DM at the close, against 1.8423 DM on Wednesday, and to 132.25 yen from 132.70. It gained to 1.5360 Swiss francs from Wednesday's 1.5290 and to 6.2490 French francs from 6.2155.

The pound fell to \$1.6820 from Wednesday's \$1.6950.

In Europe earlier, the dollar was stable in slow trading as operators stood back ahead of Friday's release of U.S. trade figures for May, dealers said.

News of the prime rate increase had only a muted impact. "Prime rate moves just cement existing short-term rates, they don't lead the market," commented a dealer with a major U.S. bank.

The dollar eased to 1.8454 Deutsche marks at the close in London, from 1.8470 DM on Wednesday, but firming slightly to 133.05 yen from 132.95.

It was barely changed at 1.5320 Swiss francs, from Wednesday's

London Dollar Rates

Table with columns: Country, Unit, Bid, Ask. Includes Deutsche mark, French franc, Japanese yen, Swiss franc, British pound.

1.5330, and slipped to 6.2275 French francs from 6.2305.

The pound eased to \$1.6900 from \$1.6910 but was unchanged at 75.1 on its trade-weighted index.

Dealers said that though there had been little talk in currency markets of an imminent U.S. prime rate move, the increases had not come as a great surprise, bearing in mind recent rises in cash market rates.

They were not seen as presaging any further significant tightening of U.S. monetary policy.

Dealers noted that Alan Greenspan, chairman of the Federal Reserve Board, had said Wednesday

that monetary policy to date had set the stage for containing inflation for the rest of the year.

In testimony to the Senate, Mr. Greenspan confirmed earlier Fed tightening but said that further rate rises were not inevitable.

Dealers said that, even if the trade gap at the high end of expectations, the dollar has enough resilience to resume its rally after a brief pause.

"If it is \$11.5 billion to \$12 billion, people could move to the sidelines and the dollar may drop," said a dealer at a British bank. "But it would be well bid at lower levels."

A number within expectations could give an immediate boost. "If it comes in at \$10 billion to \$11 billion, people might look to the politicians and question whether there is a new range for the dollar," said James McGroarty of Discount Corp.

"We could be looking at 1.85 to 1.90 marks," he added.

(Reuters, UPI)



BUNDESBANK VISIT — Helmut Kohl, the West German Chancellor, right, with Karl Otto Pöhl, president of the central bank, at Thursday's regular meeting of the Bundesbank's policymaking council in Frankfurt. The meeting left credit policies unchanged. The official visit, which had been planned for some time, was the first by a West German chancellor since 1978.

OIL: Global Plunge in Prices Reflects Mounting Disarray Among the Members of OPEC

(Continued from Page 1)

chasing value of the dollar, in which oil sales are denominated, is causing OPEC's revenues to drop further in real terms, said Pierre Terzian, editor of Petrostrategies, a Paris-based oil newsletter.

Industry analysts and OPEC officials said that unless OPEC and independent producers take immediate action to stem runaway production, the fall in prices will continue unabated.

Some Arab oil producers from the Gulf said they are fully prepared to see oil prices plunge to \$12 a barrel or lower, as long as other members of OPEC continue to float production guidelines.

Even within the Gulf region, there is little accord among the nominally allied Arab Group under Saudi leadership. Kuwait and

Saudi officials are sharply critical of the United Arab Emirates' behavior in floating all OPEC rates.

Much of the political discord turns on the confrontation between Iran and Iraq.

Officials from Saudi Arabia, Kuwait, the United Arab Emirates and Iraq said they will resist any calls for OPEC meetings that do not respond to their basic requirements of a "realistic" quota for Iraq and production restraints by other members.

Arab oil producers have been demanding for some time that an official quota for production be allocated to Iraq that equals Iran's oil production ceiling of 2.4 million barrels a day. Iraq had been given a ceiling of only 1.6 million barrels a day, but has been producing as

much as 2.8 million barrels a day.

However, the Arab demand is greatly compromised by the fact that both the United Arab Emirates and Iraq have all but proclaimed their abandonment of the OPEC production accord.

Kuwait is also believed to be exceeding its quota of about 1 million barrels a day, by 100,000 barrels a day at least.

For its part, the United Arab Emirates, ever since it formally repudiated its official OPEC quota of under 1 million barrels a day earlier this month, is said to have boosted its daily output to 1.6 million barrels.

Iraq has said it plans to boost its output, which stands at 2.8 million barrels a day, to more than 4 million barrels a day by the end of next

year, when it gains access to new pipelines through the Red Sea.

There are also unconfirmed rumors that Saudi production is beginning to rise above that country's daily quota of 4.3 million barrels. The rumors were denied Wednesday by Hisham Nazer, the Saudi oil minister, and Thursday by an official source through the Saudi Press Agency.

Arab Gulf sources said in interviews Wednesday that Kuwait and Saudi Arabia are opposed to holding any further OPEC meetings in the absence of an understanding to bring Iraq and the United Arab Emirates back into line with existing production agreements.

Algeria, which has pushed for a new OPEC meeting, was rebuffed by Kuwait last week, an Arab official said.

Saudi Arabia, whose repeated cuts in production have been the linchpin of stability for oil prices during the past few years, is determined to resist further sacrifices in production, according to several senior Saudi oil industry officials.

"Furthermore," said a senior Saudi oil industry official who asked not to be identified, "we need every drop now to pay for purchases of arms and military equipment and to supply our new downstream acquisitions."

Saudi Arabia recently announced an arms contract with Britain, valued eventually at as much as \$10 billion (\$16.9 billion), most of which will be paid in oil instead of cash. The country has also purchased a large part of Texaco's refining and distribution facilities in the United States.

Norway May Rethink Oil Production Curb

OSLO — Norway will reconsider its oil production curbs in support of OPEC, if current rumors of major overproduction among the cartel's members turn out to be true, Arne Oeien, the oil and energy minister, said Thursday.

"If it is true that there has been major overproduction by countries other than the United Arab Emirates, we will have to reassess our policies," Mr. Oeien said in a telephone interview.

He said he was referring especially to Saudi Arabia, which has denied persistent rumors that it is producing above the quota set by the Organization of Petroleum Exporting Countries.

Norway, Western Europe's biggest oil producer after Britain, has implemented a 7.5 percent cutback in planned production, growing to help OPEC stabilize credit world oil prices.

"I hope the rumors turn out to be false," Mr. Oeien said. "But we are watching the situation very closely," he said, adding that "if they are true then we are in a very difficult situation."

Said Mr. Oeien: "OPEC's credibility has clearly, for the time being, been reduced. Current weak prices are due to the rumors and we must establish whether there has been major production above agreed quota levels."

Oil analysts said Mr. Oeien is issuing Oslo's toughest warning to OPEC members since it introduced production growth curbs in 1986 in the wake of the world oil price collapse.

Norway, producing just over 1 million barrels a day, could have a major psychological impact on jittery crude markets if it withdrew its support for OPEC.

"This is serious pressure on OPEC to make sure it gets its own house in order and keeps it that way," said one analyst with a major Norwegian oil company.

Mr. Oeien also said he had been

invited to Kuwait, another OPEC member, "as soon as possible" to discuss the oil market and current weak oil prices.

Norway has repeatedly said that its unilateral support of OPEC depends on output discipline within the 13-nation group.

However, the United Arab Emirates, rejecting its OPEC quota of 948,000 barrels a day as unfair, said last month it would pump 1.5 million barrels. "We know about the UAE, and we don't expect perfection," Mr. Oeien said.

"But there are limits," he added. "Saudi Arabia, which in the past has kept within its quota and urged others to do so, declared Thursday for the second day in a row that it was producing within its 4.34 million barrel a day cap.

Tokyo market speculation, later denied by the Saudi oil minister, Hisham Nazer, that Riyadh would exceed its quota to pay for a multi-billion-dollar British arms deal, further unnerved traders.

Saudis Dispute Output Reports

MANAMA, Bahrain — Saudi Arabia insisted Thursday that it will not exceed its OPEC-set oil production limit to pay for a multi-billion dollar arms deal with Britain, and it denied responsibility for the current drop in world oil prices.

The official Saudi Press Agency, quoting an official source, said despite a similar Saudi denial 24 hours earlier, rumors that Saudi Arabia was exceeding its quota were circulating in international oil markets.

"The kingdom denies such allegations," the agency quoted the official as saying, and "reiterates its adherence" to the overall cartel production level of 15.06 million barrels a day decreed by the Organization of Petroleum Exporting Countries.

Thursday's OTC Prices. NASDAQ prices as of 4 P.M. New York time. This list, compiled by the AP, consists of the 1,000 most traded securities in terms of dollar volume.

Table of OTC prices for various stocks including ABB, AEL, AET, etc.

Table of stock prices for various companies including ABB, AEL, AET, etc.

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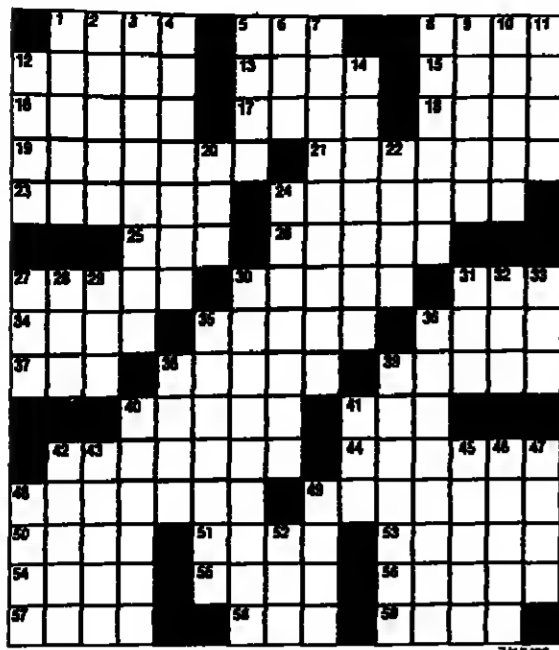
Eastern Tells Union Of Plan to Shrink Fleet

NEW YORK — Eastern Airlines has proposed to its pilots' union that it can guarantee its ability to operate a fleet of only 211 planes — 22 percent fewer than its current fleet of 270.

Thomas Matthews, Eastern's vice president of human resources, confirmed Wednesday that the union had been told of the 211 figure. But he said that number represented only a minimum number of aircraft that Eastern was willing to promise to keep in service, rather than a set level to which operations would necessarily sink.

In planning a smaller fleet, Mr. Matthews said, Eastern was reducing the size of the wage and benefit concessions it is seeking from the pilots and the machinists' union. He said the airline would guarantee that some employees with substantial seniority would not be laid off and that some baggage handlers would be offered retraining for higher-paying jobs.

People close to the bargaining said Eastern had decided to put these proposals on the table to seek a quick resolution to contract talks, which have lasted for months. The pilots received the proposal last week.



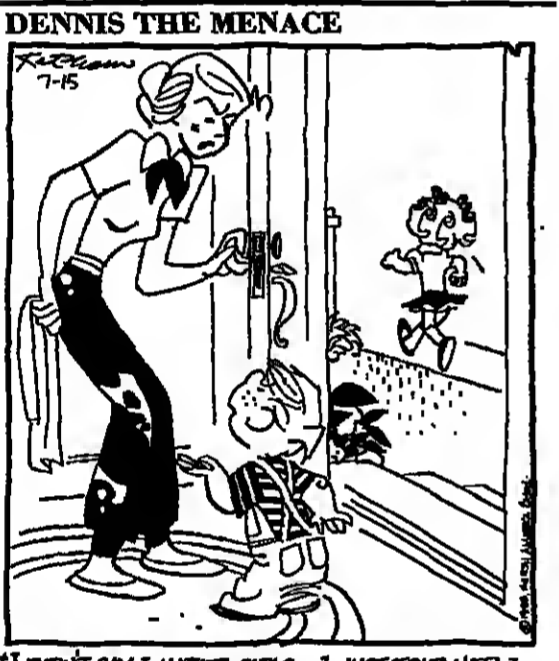
ACROSS

1 Spar
5 Jeff Davis's one
8 V.I.P.'s at tax time
12 Staple in Sorrento
13 Half, in Hamburg
15 — breve
16 Sadat
17 Cord for a kaffiyeh
18 Bursae
19 Verses
21 Tropical trees
23 Strapped-on shoes
24 A Romance language
25 Carpenter or army follower
28 " — home is his castle"
29 Bow or Barton
30 Model T necessity
31 — loss for words
34 Hired helper
35 Sow
36 Utah senator
37 Tot
38 Shredded-cabbage dishes
39 Tapestry
40 — Flow (Orkneys sea basin)

DOWN

1 Kind of ray
2 Ho came on after Monroe
3 Criterion
4 L.A. suburb
5 Cartoonist
6 Addams
7 Drop
8 Mobile people
9 Memorable cellist
10 Northern
11 Lip
12 Annie Oakley
14 Offensively
15 Bait
16 Hgt.
17 Tail and stinky
18 Seeds for rye bread
19 Half of a S.A. dance
20 Terbune dog
21 — so to bed!
22 Applaud
23 Swiss stream
24 Refrain
25 Suburb of Liège
26 Blood fluids
27 Cities in Spain and Nicaragua
28 Fitzgerald's forte
29 Unbending
30 Virgules
31 Lawyers' org.
32 Caesar, for one
33 — D. (druggist's degree)
34 Bird of passage
35 A.L., home-run champion: 1984
36 The "m" in E=mc²
37 Conductor
38 Eduardo
39 Director Gene
40 52 Bait feature

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"I DON'T SAY I HATED GIRLS... I JUST TOLD HER I FEEL MORE COMFORTABLE WITH FROGS."

JUMBLE THAT SCRAMBLED WORD GAME by Henri Amoké and Bob Lee

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

CYZAR
YANDD
WOTOWK
VAHLED

Print answer here:

Answers tomorrow

Yesterday's Jumbles: BANAL NOTCH SPORTY TRAGIC
Answer: When prices on everything else went up at that store, envelopes remained this — STATIONARY (stationary)

WEATHER

Area	High	Low	Wind	Clouds	Temp
Europe	27-31	17-22	14-18	sh	18-22
Asia	30-34	22-26	10-14	bc	24-28
North America	27-31	17-22	14-18	sh	18-22
South America	27-31	17-22	14-18	sh	18-22
Middle East	27-31	17-22	14-18	sh	18-22
Oceania	27-31	17-22	14-18	sh	18-22



World Stock Markets
Via Agence France Presse Closing prices in local currencies, July 14

Market	Index	Change
Amsterdam	321.20	+1.20
Brussels	211.20	+1.20
Frankfurt	211.20	+1.20
London	211.20	+1.20
Madrid	211.20	+1.20
Paris	211.20	+1.20
Stockholm	211.20	+1.20
Zurich	211.20	+1.20

BOOKS

1791: Mozart's Last Year
By H.C. Robbins Landon. Illustrated. 240 pages. \$19.95. Schirmer Books/Macmillan Publishing Co. Inc, 866 Third Avenue, New York, N.Y. 10022.

er's last months, attempting to sift fact from fiction, truth from speculation. As depicted by Robbins Landon, Mozart's Vienna was a city in the throes of social and cultural transition. After an expensive and prolonged war with the Turkish Empire, the Austrian aristocracy was in decline. As a result, the large orchestras of the nobility had begun to dissipate and subscription concerts were on the wane. "Being much more of a pragmatist than is generally realized, Mozart was quick to shift his emphasis as circumstances required," Robbins Landon writes. "If public concerts were now scarce, why not concentrate on music for private concerns? Towards the middle of 1791 that is what he proceeded to do."

In fact, this view of Mozart as both a pragmatic craftsman and an inspired genius is emphasized throughout "1791." Robbins Landon points out that the composer "finished his works exclusively with a specific performance in mind." He recounts how the composer, having received a belated assignment to write a coronation opera, began figuring out sequences in his head during a stagecoach ride from Vienna to Prague and went on to complete the bulk of "La Clemenza di Tito," in a remarkable 18 days. Further, he reminds us that during this same period, Mozart also composed "The Magic Flute," the clarinet concerto, a Masonic cantata and most of the famous Requiem — in the face of ever-worsening health.

In the course of chronicling Mozart's last year, Robbins Landon pays particular attention to the Requiem and "The Magic Flute." After giving us a succinct summary of the controversies surrounding that opera's inception, he carefully examines its use of Masonic imagery.

Of course, Mozart's death at the age of 35 in December 1791 would give rise to all manner of speculation about its cause, including the possibility of poison. Robbins Landon does a neat job of dismissing the possible murder suspects (Salieri, the Masons, etc.), surveys assorted medical opinions and finally brings in a seemingly conclusive testimony from Dr. Peter J. Davies, who argued in a 1984 article that Mozart's death was brought about by a combination of factors, including kidney failure and a streptococcal infection.

Michiko Kakutani is on the staff of The New York Times.

BRIDGE

By Alan Truscott

A defender who is playing early in the mis-giving the declarer some help, should not be too quick to apologize in the post-mortem. On some rare occasions, the gods of the game will play a little joke, permitting him to prove in the post-mortem that his error was in fact a farsighted stroke of genius.

Consider, for example, the diagramed deal from a match in the 1987-88 Van Zedtwitz Koeokout Teams. East opened with a weak two-bid in diamonds and had a problem at his next turn. Should he sell out or support his partner's heart suit at the level of five? Without any revealing hesitation, he chose the cautious route, and the bidding ended. This was a doubtful decision, for if both sides have a fit, it pays to be aggressive. Four spades was makable, and five hearts would have been down one at worst.

West led the heart king and studied his partner's four. That certainly indicated a singleton or a tripleton, for with a doubton, East would have played high-low. Deciding that his partner would have supported with a tripleton, West followed with the heart ace, hoping to give his partner a third-round ruff. He felt foolish when the

ace was ruffed, for he had set up the heart queen as a trick for the declarer. South drew trumps, discarded a club on the heart queen and eventually had to guess in clubs. He guessed wrong by leading to the king and was down one.

The post-mortem revealed an interesting truth. If South had not been given a gift in hearts, allowing a discard, the contract would have succeeded: South would have had no choice but to play West for the club queen, successfully.

"Of course I saw what would happen," West said later. "I had to establish the heart queen to give him a losing option in clubs." Brilliant, certainly. Would you have believed him?

Bridge Solutions

WEST EAST (D)
SOUTH NORTH

Both sides were vulnerable. The bidding:
East 2♠ South West North
Pass Pass Pass Pass
West led the heart king.

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Scoreboard

Baseball

Team	W	L	Pct
Atlanta	42	47	.471
Baltimore	41	48	.461
Boston	40	49	.449
California	39	50	.438
Chicago	38	51	.428
Cincinnati	37	52	.417
Cleveland	36	53	.407
Colorado	35	54	.396
Detroit	34	55	.386
Houston	33	56	.375
Los Angeles	32	57	.365
Minnesota	31	58	.354
Montreal	30	59	.344
New York	29	60	.333
Oakland	28	61	.323
Pittsburgh	27	62	.312
San Diego	26	63	.302
Seattle	25	64	.291
St. Louis	24	65	.281
Tampa Bay	23	66	.270
Texas	22	67	.260
Washington	21	68	.250
White Sox	20	69	.240
Yankees	19	70	.230

Football

Team	W	L	T
Atlanta	4	1	0
Baltimore	3	2	0
Boston	2	3	0
Chicago	1	4	0
Cleveland	0	5	0
Denver	0	6	0
Detroit	0	7	0
Green Bay	0	8	0
Houston	0	9	0
Los Angeles	0	10	0
Minnesota	0	11	0
Montreal	0	12	0
New York	0	13	0
Oakland	0	14	0
Pittsburgh	0	15	0
San Diego	0	16	0
Seattle	0	17	0
St. Louis	0	18	0
Tampa Bay	0	19	0
Texas	0	20	0
Washington	0	21	0
White Sox	0	22	0
Yankees	0	23	0

SPORTS

Alps Diminish Tour Favorites

By Samuel Abt



A spectator urged Pedro Delgado up the formidable Alpe d'Huez.

Pact on All-Sports TV For Europe Said Near

BRUSSELS — Fifteen public broadcasting networks and U.S. Australian press magnate Rupert Murdoch have reached an agreement in principle to give Europe its first all-sports satellite television channel early next year.

A wide-open race with eight or nine early favorites dwindled to a continuing duel among no more than five. Leading them was Pedro Delgado, a Spaniard who finished second in last year's tour and who Thursday donned the overall leader's yellow jersey.

The Madeleine is rated first category to height and steepness while the Glandon and l'Alpe d'Huez are rated beyond category.

Brushing aside those technicalities, Steven Rooks of the Netherlands finished the stage in a show-off sprint for an easy victory of 17 seconds over his PDM teammate, Gert-Jan Theunisse, and Delgado.

The underestimated Rooks, whose total time was 6 hours 55 minutes 44 seconds, has shown potential for years but never won a major stage, or multiday, race. Yet he looked so strong Thursday that he must be ranked with Delgado among the remaining favorites.

Also on the short list are two Colombians, Fabio Parra and Luis Herrera, and Andy Hampsten, the American who won the Tour of Italy, the Giro, last month.

Parra, who won the previous day's Alpine appetizer to the resort of Morzine, finished fourth Thursday with Herrera fifth. Hampsten was 10th, 4:21 behind Rooks, after he weakened in the final few kilometers at the end of a hot and trying day.

The major victims were such stars as Sean Kelly of Ireland, Jean-Francois Bernard of France and Urs Zimmermann of Switzerland, who saw their chances left far down the valley. All finished no less than 20 minutes behind Rooks.

"I will never now win the tour," the downcast Kelly said later.

Another casualty was Laurent Fignon of France, who won the tour in 1983 and 1984. Suffering from problems as assorted as an injured knee, a tapeworm and a 23-minute deficit in overall elapsed time, he did not start Thursday's stage.

Fignon must have known something. On the French national holiday, Bastille Day, the fireworks were set off early as Zimmermann shot away at the Madeleine.

Ballesteros Shoots 67 to Lead British Open After One Round

The Associated Press

LYTHAM, England — Despite taking two penalty shots, Seve Ballesteros of Spain extracted a 67 from the cold, wet and gusty winds Thursday to hold a two-stroke lead after the first round of the 117th British Open Golf Championship.

"A terrific round," said Jack Nicklaus. "That's a fantastic score under these conditions."

"I feel I played the first 13 holes the best that I can play," said Ballesteros, twice the winner of this title and a two-time Masters champion.

"I played the front 10, and I could have been better than 30," he added, having missed a four-foot putt for birdie on the eighth hole.

"On the back, it is very tough. I made a few mistakes, but it's so tough you expect to make mistakes," said Ballesteros, who won his first major title on the same Royal Lytham and St. Annes Golf Club course in 1979.

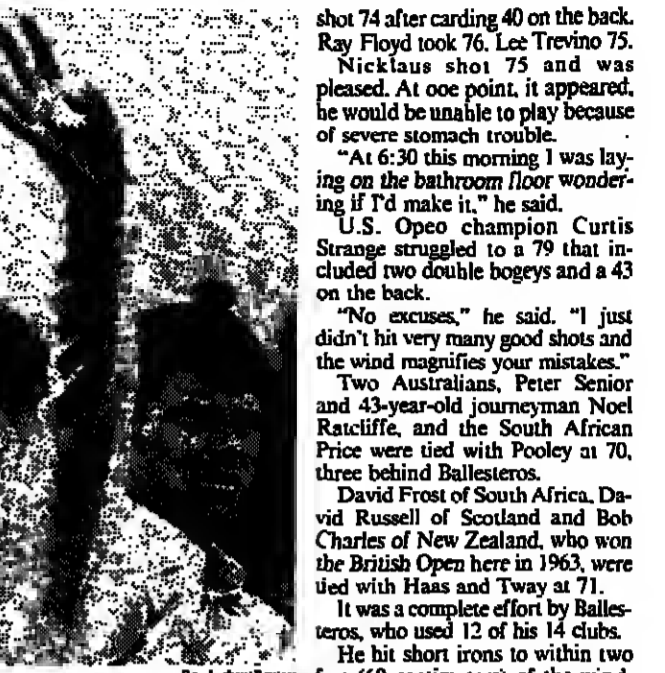
At that time, he made what has become known as "The Great Escape" coming out of almost constant trouble to score pars, once making birdie from a parking lot, in a come-from-behind final round.

This time, a more experienced, more conservative Ballesteros took a more conventional route.

Wind-blown drives got him deep into the bushes twice on the back nine, on the 14th and 18th, and each time he took an unplayable lie rather than try to hack out the ball.

"Even Daniel Boone couldn't play from there," Ballesteros said. Each drop led to a one-putt bogey.

"Definitely, it was very difficult to shoot four under in these conditions, but the way I played I don't deserve any worse," he said.



Seve Ballesteros, struggling across the fifth green, battled the wind as much as the golf course itself in shooting his 67 Thursday.

Defending champion Nick Faldo of England shot 71, and it was a disappointment. He was tied for the lead with five boges to play, standing four under par after a birdie 3 on the 13th. Faldo bogeyed the 14th, took a double-bogey 6 on the 17th after hitting two shots into bunkers, then threeputed for a bogey 5 on the 18th.

The conditions were terrible. It was cold. It was windy. It was wet. The gale force winds, occasional driving rain and temperatures were chilly enough to send the players burrowing into sweaters, ski-caps and foul-weather gear.

Nelson shot 73. So did Ben Crenshaw, Fuzzy Zoeller and Craig Stadler were at 72. Tom Watson shot 74 after carding 40 on the back. Ray Floyd took 76. Lee Trevino 75. Nicklaus shot 75 and was pleased. At one point, it appeared, he would be unable to play because of severe stomach trouble.

"At 6:30 this morning I was lying on the bathroom floor wondering if I'd make it," he said.

U.S. Open champion Curtis Strange struggled to a 79 that included two double bogeys and a 43 on the back.

"My cussing," he said. "I just didn't hit very many good shots and the wind magnified my mistakes."

Two Australians, Peter Senior and 43-year-old journeyman Noel Price, and the South African Peter were tied with Pooley at 70, three behind Ballesteros.

David Frost of South Africa, David Russell of Scotland and Bob Charles of New Zealand, who won the British Open here in 1963, were tied with Haas and Tway at 71.

It was a complete effort by Ballesteros, who used 12 of his 14 clubs. He hit short irons to within two feet (60 centimeters) of the wind-whipped flags on the first two holes and birdied both. A 15-foot (4.5-meter) putt on the next made it a birdie-two-birdie start.

He two-putted for birdie on the sixth and seventh, both downwind par-5s, and turned in 30.

He scrambled for pars on 10 and 12, missed an eight-foot birdie attempt on 13, then drove a ball unplayable and bogeyed the 14th.

An errant drive put him in trouble on the 15th, but he one-putted for par. He birdied the 17th from about three feet after a six-iron shot, then hit it unplayable again and bogeyed the 18th.

Like the other golfers, he could not beat par on the fourth nine, when the winds off the Irish Sea blew hopeful after hopeful onto the rocks.

The leader board, loaded with red numbers for sub-par rounds on the front nine, turned green for even par and then the pale blue of bogeys and double-bogeys.

Six players each lost 10 strokes on the back nine. Barry Lane, who won the Scottish Open a week ago, had seven bogeys on those holes and finished at 78. Ian Woosnam of Wales, considered a prime contender after leading the European tour to money winning last season, almost matched Lane with an inward 43 en route to a 76.

Foster Trying Many Bluffers in Game of Pennant Poker

By Murray Chass

NEW YORK — Pretenders usually outnumber contenders in major league baseball, but this season they are so numerous they make it difficult to find the contenders.

The American League East Division, for example, is loaded with pretenders: Boston, Cleveland, Milwaukee and Toronto. They outnumber the contenders by 2-to-1.

The West may have the same ratio; the National League probably has as many pretenders as contenders.

A contender has established itself as a club with a reasonable chance to win a division title. A pretender thinks it is a contender, and has fooled others into thinking so, but in reality has displayed sufficient shortcomings to discredit itself.

Here, as the teams prepared to resume play Thursday after the All-Star Game break, is a look at the contenders and the pretenders:

Contenders: AL East — Detroit, New York Yankees, AL West — Oakland, NL East — New York Mets, Pittsburgh, NL West — Los Angeles, San Francisco.

Pretenders: AL East — Boston, Cleveland, Milwaukee, Toronto, AL West — Minnesota, Kansas City, NL East — Chicago, Montreal, NL West — Houston, Cincinnati.

A team's status, of course, can change. A second-half surge by a player or two or a new-found consistency can eliminate the pretension and propel a team into the contenders' circle. But, for now, this is how the divisions shape up.

The Yankees have too much talent to be counted out. The pretenders, on the other hand, all have shown cracks in their armor. The Indians had their run but are slipping back, having lost 22 of their last 31 games. Their pitching, which flourished early, isn't strong enough to hurt them back to the top. Some people thought the Red Sox had strong enough pitching to win the division title, but they have only one Roger Clemens and despite all their hitting most likely won't overcome that problem.

The Brewers, who already had exhibited youthful inconsistency, have been besieged by injuries, with Rob Deer, Glenn Braggs and Greg Brock on the disabled list. Jimmy Key, with three victories in three starts after his return from the disabled list, has provided the Blue Jays with promise, but they need comebacks as well from such as George Bell and Jesse Barfield.

The Athletics are vulnerable, especially without Dave Parker's left-handed batting. But they might win by default: The fault of the teams that all too briefly have resembled contenders, then fallen back.

The Royals swept six games from the Athletics in an 11-day period and slashed their deficit to 4½ games. Since, however, they have won 10 games and lost 12. The Twins have had a similar inability to capitalize on the Athletics' shortcomings, rising to 3½ games from first, then immediately dropping back to 5½. The defending champions are one of those teams whose status could change, but they need more than pitching that of Frank Viola and Jeff Reardon.

National League East The Mets are strong enough to win even with Bob Ojeda and Sid Fernandez pitching inconsistently. Gary Carter slumping and Keith Hernandez ailing. Their chief challenge most likely will continue to come from the Pirates, a young team that has shown resiliency.

The Pirates twice fell 7½ games back in a recent 12-day period, but then rode off to a five-game winning streak and cut the Mets' lead to 3½ games, which is where they stood Thursday. Last weekend's three-game sweep of the Dodgers in Los Angeles, where they had lost three games two months earlier, was perhaps their most impressive achievement this year.

The Expos resume play with a seven-game winning streak and could, with the Mets' cooperation, alter their contender-pretender status. But they may be no more prepared than the Cubs to stage a serious threat.

National League West The Dodgers have been as impressive in the National League as the Tigers have been in the American. They face a serious challenge from the Giants, who, responding to a late wake-up call, have won 13 of their last 16. In the current five-game winning streak, their pitchers have allowed three runs.

The Reds have recently shown signs of stirring and may well become a contender yet. But they have problems that could last the rest of the season. Pitching is the Astros' life-support system, and right now the plug isn't firmly in the outlet.

SIDELINES

UEFA Reduces Bans on Real Madrid

GENEVA (AP) — UEFA, European soccer's governing body, on Thursday slashed from nine games to three its suspension of Real Madrid's key midfielder, Michel, for misconduct toward a referee. He now can rejoin the team in the second leg of the second round of this season's European Champions' Cup.

In the same decision, UEFA's appeals jury cut the European competition ban on Real's Mexican star forward, Hugo Sanchez, from three games to one but rejected the appeal of a fine of 75,000 Swiss francs (\$49,000) levied on the club.

Sanchez and Michel were banned for insulting and shoving referee Bruno Galler of Switzerland after a European Champions' second-leg semifinal at PSV Eindhoven last April. The fine was imposed for unsportsmanlike conduct of Real Madrid players and officials after the game.

U.S. Company to Build Soviet Facilities

MOSCOW (AP) — IMG Development Ltd., a U.S. sports development company, has signed agreements to build tennis courts and golf courses in the Soviet Union in which the Soviet partner will own 51 percent of the capital and IMG 49 percent.

IMG, part of the Cleveland, Ohio-based International Management Group, signed a joint venture agreement with the Russian Federation's State Committee for Physical Culture and Sport, the news agency Tass reported Wednesday. The first project is to build a tennis center in Adler, near the popular Black Sea resort of Sochi.

IMG also has an agreement with the Moscow city Council of Trade Unions to build a large sports and hotel complex on the banks of the Klyazna reservoir near Moscow that will include a hotel, golf course, tennis courts and concert and exhibition halls, Tass said. Completion is expected in the early 1990s.

For the Record

Lajos Detari, the Hungarian international midfielder, Thursday became the second most expensive soccer player of all time when the Greek club Olympiakos obtained him from Eintracht Frankfurt for a reported fee of about \$12 million; only Diego Maradona, whose transfer from Barcelona entailed an estimated \$12.5 million, has cost more. (AFP)

Australian scrum half Peter Sterling and New Zealand forward Hugh McGowan were named Thursday by an eight-member international panel as joint winners of the 1987-88 Adidas Golden Boot award as the world's best rugby league players. (AP)

Baltusolf Golf Club of Springfield, New Jersey, was chosen by the U.S. Golf Association to be the host in 1993 of a record seventh U.S. Open. (AP)

English Threat Ended

The threat of the top 10 clubs in the English League breaking away to form a "super" league ended Wednesday night, but the bidding for next season's television rights to the league's soccer matches is continuing.

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Foster Trying Many Bluffers in Game of Pennant Poker

By Murray Chass

NEW YORK — Pretenders usually outnumber contenders in major league baseball, but this season they are so numerous they make it difficult to find the contenders.

The American League East Division, for example, is loaded with pretenders: Boston, Cleveland, Milwaukee and Toronto. They outnumber the contenders by 2-to-1.

The West may have the same ratio; the National League probably has as many pretenders as contenders.

A contender has established itself as a club with a reasonable chance to win a division title. A pretender thinks it is a contender, and has fooled others into thinking so, but in reality has displayed sufficient shortcomings to discredit itself.

Here, as the teams prepared to resume play Thursday after the All-Star Game break, is a look at the contenders and the pretenders:

Contenders: AL East — Detroit, New York Yankees, AL West — Oakland, NL East — New York Mets, Pittsburgh, NL West — Los Angeles, San Francisco.

Pretenders: AL East — Boston, Cleveland, Milwaukee, Toronto, AL West — Minnesota, Kansas City, NL East — Chicago, Montreal, NL West — Houston, Cincinnati.

A team's status, of course, can change. A second-half surge by a player or two or a new-found consistency can eliminate the pretension and propel a team into the contenders' circle. But, for now, this is how the divisions shape up.

The Yankees have too much talent to be counted out. The pretenders, on the other hand, all have shown cracks in their armor. The Indians had their run but are slipping back, having lost 22 of their last 31 games. Their pitching, which flourished early, isn't strong enough to hurt them back to the top. Some people thought the Red Sox had strong enough pitching to win the division title, but they have only one Roger Clemens and despite all their hitting most likely won't overcome that problem.

The Brewers, who already had exhibited youthful inconsistency, have been besieged by injuries, with Rob Deer, Glenn Braggs and Greg Brock on the disabled list. Jimmy Key, with three victories in three starts after his return from the disabled list, has provided the Blue Jays with promise, but they need comebacks as well from such as George Bell and Jesse Barfield.

The Athletics are vulnerable, especially without Dave Parker's left-handed batting. But they might win by default: The fault of the teams that all too briefly have resembled contenders, then fallen back.

The Royals swept six games from the Athletics in an 11-day period and slashed their deficit to 4½ games. Since, however, they have won 10 games and lost 12. The Twins have had a similar inability to capitalize on the Athletics' shortcomings, rising to 3½ games from first, then immediately dropping back to 5½. The defending champions are one of those teams whose status could change, but they need more than pitching that of Frank Viola and Jeff Reardon.

National League East The Mets are strong enough to win even with Bob Ojeda and Sid Fernandez pitching inconsistently. Gary Carter slumping and Keith Hernandez ailing. Their chief challenge most likely will continue to come from the Pirates, a young team that has shown resiliency.

The Pirates twice fell 7½ games back in a recent 12-day period, but then rode off to a five-game winning streak and cut the Mets' lead to 3½ games, which is where they stood Thursday. Last weekend's three-game sweep of the Dodgers in Los Angeles, where they had lost three games two months earlier, was perhaps their most impressive achievement this year.

The Expos resume play with a seven-game winning streak and could, with the Mets' cooperation, alter their contender-pretender status. But they may be no more prepared than the Cubs to stage a serious threat.

National League West The Dodgers have been as impressive in the National League as the Tigers have been in the American. They face a serious challenge from the Giants, who, responding to a late wake-up call, have won 13 of their last 16. In the current five-game winning streak, their pitchers have allowed three runs.

Steinbrenner: 'Clamming Up'

The Associated Press

NEW YORK — George Steinbrenner, principal owner of the New York Yankees, has apologized for criticizing all-star first baseman Don Mattingly.

Steinbrenner, quoted in Thursday's New York Daily News, also said he would not criticize his players again publicly the rest of the season.

"I'm backing off, I've got to back off," he said. "So I'm off, I'm clamming up."

Earlier this week, Steinbrenner decided what he called his "big-money players" — all-stars Mattingly, Dave Winfield and Ricky Henderson.

Now, he said, "I'm sorry that it came out wrong about Don Mattingly and you can quote me. Listen, here's all I was saying about Mattingly, other than I don't think a guy who's not loog off the disabled list should be going to the All-Star Game, which is a carnival.

The Tigers are the surprise of the division and their manager, Sparky Anderson, probably has enough magic tricks to keep them in the

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SCOREBOARD

TRANSITION

BASEBALL NATIONAL LEAGUE Cincinnati — Traded Tracy Jones, outfielder, and Pat Fife, pitcher, to Montreal for Jeff Reas, catcher; Herm Wilhelmsen, outfielder; Randy St. Claire, pitcher; suspended Chicago; and Kevin Anderson, American Association.

BASEBALL

Major League Standings

Table with columns for American League and National League, listing teams, wins, losses, and percentages.

GYOLF

British Open

Leading Scores for Thursday's first round of the 117th British Open golf championship played on the 182-yard, par 35-37 Royal Lytham and St. Annes Golf Club course in Lytham, England:

Table listing golfers and their scores for the British Open.

ESCORTS & GUIDES

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Advertisement for International Classified, listing various services and contact information for different cities.

OBSERVER

Amortizing a Noose

By Russell Baker

NEW YORK — Whom the gods would madden, they first make writers. This leads inevitably to a requirement for typewriter ribbons. Cat's-paw that I am to these Olympian scribes, I had bought three typewriter ribbons scarcely 10 minutes before the Monday mail arrived with oaks that they would have to be amortized.

Amortized? The very word leaves me mentally paralyzed. Always has, maybe because it contains the word "mort." Other words that have "mort" in them are mortician, mortuary, rigor mortis and Morton Downey Jr.

On the other hand, maybe it's because I can't visualize an amortizing. Words seem friendlier, easier to understand, when you can visualize what they mean.

Take a word like "cat." You can visualize "cat." The minute you hear "cat" you can see a sneaky, furred, quadruped torturing a mouse to death. There is nothing abstract about "cat," whereas everything about "amortize" is abstract.

These illustrate the two categories of words: abstract words and concrete words. There are two kinds of words because there are two kinds of minds: the abstract mind and the concrete mind.

My mind, of course, is strictly strait. Or, in medical parlance, a strictly strait structure. Such minds stop dead in their tracks when confronted with "amortize" and grapple with its incomprehensible abstractitude, struggling to visualize some deed, person, place or thing hidden in its meaninglessness.

My mind imagines a chemical process involving acids. For example: Subaltern of Hussars: As a Nobleist in horse disposal, Dr. Spinalzo, you are the only man alive who can help me. There are 10 dead horses in the colonel's tent. How can I dispose of them without a trace ere he returns from the charge?

Dr. Spinalzo: Applying 30 cc of sulfuric acid will amortize them in a trice.

Where was I? Ah... typewriter ribbons.

Three of them I'd bought at a cost of \$10.19 when the mail arrived containing the latest bulletin from the Authors Guild, an organization dedicated to making the

writer's lot a happy one, at least financially.

The bulletin dealt with the latest edicts issued by the federal tax police. The bulletin was en route to the landlady when the words "typewriter ribbons" caught my eye.

"Most businesses are allowed to deduct currently their general overhead — office rent, typewriter ribbons, paper —"

The latest tax pronouncement, however, required writers — oh boy, there it was — "to amortize these expenses over three years."

That's when everything went black and I stared into the gentle and incredibly wise eyes of Dr. Spinalzo, Nobelist in typewriter ribbons.

"The old typewriter ribbons, Doc, you could make them last for three years, but with these new babies, they go around the spool once and you've got to throw them away."

"Won't do, my child," Dr. Spinalzo said. "The tax boys say you've got to capitalize the expense."

"Capitalize the expense? Doc, I already capitalized to the tune of \$10.19 to buy the ribbons. How do I capitalize that \$10.19 now that I've blown it?"

"Shut up, my son, and listen. These people who speak so authoritatively of three-year capitalizations state that you may 'basket and deduct' the \$10.19 in ribbons on a 25-25-25 percent amortization schedule over three years."

I had to basket my typewriter ribbons? "They didn't teach basketing at Famous Writers School. All I learned was how to put the ribbons in the typewriter without getting my fingers inked up."

"You never learned basketing? Never learned how to capitalize over three years? I suppose you never learned amortizing either."

"That's where you use sulfuric acid, right?"

"In the first year, put 15 cc on your receipt for the \$10.19. Seven and a half cc to each of the next two years, and by the fourth year the receipt will be amortized."

I can't even remember to take my sanity pills twice a day. And they want me to remember to put seven and a half cc of sulfuric acid on a \$10.19 receipt year after next. Ah, well, some great books have been written in prison.

New York Times Service

Robert Parker Digs for Lost Sound

By Mike Zwerin

International Herald Tribune

PARIS — Robert Parker is an audio archaeologist, a discoverer of buried sound. Dixieland — otherwise known as trad or classic jazz — is his dig. Only so-called dead styles interest him, and he makes no bones about it. They do, however, come to life after he has dug them. No moldy dig when it comes to digital technology, in any case, he invents digital techniques to uncover what, for example, King Oliver really sounded like. In fact, he does not believe Dixieland is dead. "So many of those early recordings have been damaged to the point that people who haven't grown up with 78 rpm records cannot find anything to interest them in there. Young people are repelled by the sound format. I am trying to counteract that. It's such wonderful music."

Unlike other purists of his penchant, he can mock his own yearning for the past. He has fantasized about running a studio around the grooves of an ancient Egyptian vase to hear if the potter's chatter is traced into the clay. "There is no reason they couldn't have made recordings in clay. Mechanical recording is a simple system. Maybe they did and we just don't know about it. Maybe jazz came up the Nile from Assuan. The first riverboats were on the Nile. The scene shifted up the Tigris. You've heard of the Tigris Rag."

It is obviously essential for Parker to communicate his enthusiasm for early jazz and prove its continued relevancy. There's music on those old 78s that should be as valid as Mozart, it's "classic" after all. He knows it is there, he has unearthed it, modernized it, shined it up.

Don't be misled. Although he works with sophisticated systems, it is an example of what E.F. (Small Is Beautiful) Schumacher called "appropriate technology." Do not compare it to coloring black-and-white film. Parker's aesthetic sense is as lucid as his technological prowess. He is searching for true original signals, not to "improve" them. At the moment, the series he has engineered, consisting of more than 20 titles and produced by BBC Enterprises, is the most accurately reproduced body of early jazz on the market — Fats Waller, Jelly Roll Morton, Bessie Smith, early Duke Ellington, Louis Armstrong, Johnny Dodds, Bill Beiderbecke, Eddie Lang and many more.

As a teen-ager, Parker was already trying to improve the quality of recorded Dixieland. He invented and built circuits and filters, found ways to connect them by trial and error. In 1955, when he was 18, he recorded some 78s in his garage and re-played the newly reverbated mix to see if it was more lifelike. He has since rejected such false brilliance.



Robert Parker uses digital technology for his spade-work in Dixieland jazz.

His working life began as a board operator — leveling, balancing and splicing for a radio in his native Sydney, Australia. He recorded local bands, became a collector and a disc jockey. By the time he built his own recording studio in London, he could afford more sophisticated equipment which "cut down the clips and clips without having to attenuate the treble frequencies. Most 78s had been transferred to analog tape in the '50s, the original masters were thrown out. The transfer technique was to filter out annoying noise at the top and on the bottom, losing a lot of the music at the same time."

So 78s remain his raw material. His collection is "up to 16,000 and growing." A good 78 rpm copy, say, a recording by The Original Dixieland Jazz Band is like a junk stamp. He's found golden oldies in junk shops, Portobello Road boutiques, warehouses, gutters, and there is a worldwide network of collectors. Mint copies of the King Oliver records are notoriously rare. Most of them were

made before 1925. They were never reissued. One way or another, the masters were destroyed. "So you've got to find pressings made in the early '20s," Parker explains. "And the only ones not torn to pieces are owned by people who don't like them so they didn't play them. These people can be hard to find."

"But in general, shellac records were designed to be played back with a steel needle which bore down with two pounds of weight. Nowadays we play them with a mirror-polished diamond stylus with a maximum five grams. We can play them to the end of time because the material is so strong. When taken care of properly shellac 78s are one of the best and most durable storage mediums yet invented."

The problem was not the recording, it was the imperfect reproduction. They could not get the quality off the wax they had inscribed on it. So it sounded like it was coming through a tunnel. Then they squeezed everything down to get it through one point source, which is unrealistic. That

was the trouble with mono. That's not the way we listen to live music. Now, electronically you can spread the sound. I have not yet been able to effectively control the exact placement of each instrument on stereo but I can produce a kind of image that allows the ear to concentrate on individual elements when they come through two speakers. It comes out in a much more realistic fashion."

Realism is not always desirable. On one Paul Whiteman record, Parker's cleaned-up spread revealed one trumpet player faking the part. What had seemed like a perfect ensemble turned out to be a mess. However he also made some startling discoveries. "You know there's a bass saxophone and you know what it's supposed to sound like and you make an adjustment to bring it out and suddenly comes a bass drum you never imagined was there. In order to make sure it didn't mess up the rest of the recording the engineers had squeezed it down until it almost disappeared. Or you can now be aware of the fact that on Jelly Roll Morton's recording of 'Dr. Jazz,' the bass player was in fact bowing not plucking. On old transfers, it was just a series of blumps."

Bruce Talbot, producer of the series for BBC Enterprises, became involved five years ago after being impressed by a Parker production he heard on Australian radio. "Johnny Dodds used to be an object lesson on how not to play clarinet," says Talbot. "And let's just say you would not want to be heard in public with one of his bands. But now with Robert's magnificent sound, one British rock magazine said something like — listen kids, basically, if you want to hear what real black music sounded like in Chicago in the late '20s, this is the album to buy. Suddenly it's not this weird reverbated trad music any more. The magazine put Dodds on a level with Robert Johnson and the other great blues singers. It's living music again."

Although he is out in front, Parker is not the only 78 rpm restorer. Computerized noise removal is being developed, by Sonic Solutions in San Francisco for one. Contemporary rhythm sections have been overdubbed, as with Charlie Parker in the film "Bird."

But Robert Parker says: "Noise removal is only part of the problem. First of all you've got to replay the record properly. That's not easy, there were all sorts of different standards. You've got to find the right stylus, it's not just a matter of banging a needle onto the grooves. And I won't overlay another drummer now if you could not hear the original drummer. I'll spend my time looking for him. I want to hear what the original bands sounded like in the studio. And I want as many other people as possible to hear them."

PEOPLE

Miller's Love Letters To Actress To Be Sold

Hundreds of unpublished love letters from the American writer Henry Miller to the Hollywood actress Brenda Vans will be sold this month at Sotheby's. They are part of the papers and books of the British novelist and poet, Lawrence Sanders, 76, a friend of Miller, the author of "Tropic of Cancer," who died in 1980 at the age of 88. The letters, describe Miller's feelings for Vans, who appeared in Clint Eastwood's 1975 movie "The Eiger Sanction."

Ingar Bergman, the Swedish film director and theater producer, celebrated his 70th birthday on Thursday in his summer house on Faro island in the Baltic Sea. He currently is working on an opera.

Jean-Luc Godard's controversial film on the birth of Jesus has been withdrawn from its scheduled U.S. television airing following protests by Christians who say the work is blasphemous. Godard's "Hail Mary," a fanciful, modernized version of Christ's origins, depicts a Virgin Mary as a gas station attendant, and her husband Joseph as a French taxi driver. It was to have been broadcast three times this month. Ed Carroll, a spokesman for Bravo cable television, said, "We're being sensitive to a minority."

After weeks of hounding officials, an East German dog was granted permission to emigrate to the West. The Munich-based Omega magazine said that the dog's owners, Brigitte and Gerd Borchardt, left their pooch when they visited and remained last year in West Germany. After receiving a letter from their daughter, Ute, that the 11-year-old boxer, Elsa, refused to eat because it missed them, the couple sought permission to have Elsa sent to West Germany. East German officials initially refused their request, but have relented.

Pope John Paul II has embarked on his second papal vacation in the Dolomite Alps. The pope will interrupt his 10-day vacation to celebrate Mass on Saturday at a monastery in Aosta, near St. Maurice, then will travel to Stava to bless a monument dedicated to 269 victims killed when a dam collapsed.

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TODAY'S INTERNATIONAL REAL ESTATE MARKETPLACE. Appears on page 12.

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MONDAY. A full week of news from the Democratic National Convention's Trib.